

Internal Revenue Service
P. O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: May 1, 2012

ProPublica
c/o Kim Barker
One Exchange Plaza 23rd Floor
New York, NY 10006

Person to Contact:

Karen Batey 0202939

Toll Free Telephone Number:
877-829-5500

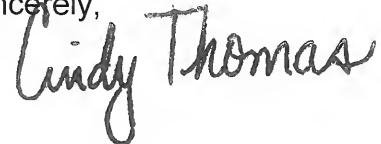
Dear Sir or Madam:

This is in response to your April 17, 2012, request for copies of records for American Justice Partnership.

Enclosed are the copies you requested.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Cindy Thomas
Manager, Exempt Organizations
Determinations

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

AMERICAN JUSTICE PARTNERSHIP
C/O ROBERT OLSHAN
4900 MASSACHUSETTS AVE NW STE 220
WASHINGTON, DC 20016

Employer Identification Number:
20-2222409
DLN:
17053215316009
Contact Person:
GERRY R MCLAUGHLIN ID# 31115
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
12
Form 990 Required:
Yes
Effective Date of Exemption:
January 26, 2005
Contribution Deductibility:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(4) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Please see enclosed Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), for some helpful information about your responsibilities as an exempt organization.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-NC

Letter 948 (DO/CG)

en 5/19/16

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

AMERICAN JUSTICE PARTNERSHIP
C/O CLETA MITCHELL
3000 K ST NW SIXTH FLR
WASHINGTON, DC 20007

Employer Identification Number:

20-2222409

DLN:

17053215316009

Contact Person:

GERRY R MCLAUGHLIN ID# 31115

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

12

Form 990 Required:

Yes

Effective Date of Exemption:

January 26, 2005

Contribution Deductibility:

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Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-NC

Letter 948 (DO/CG)

Am 5/19/10

Form **2848**(Rev. June 2008)
Department of the Treasury
Internal Revenue Service**Power of Attorney
and Declaration of Representative**

► Type or print. ► See the separate instructions.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

Part I Power of Attorney**Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.****1 Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address American Justice Partnership c/o Mr. Robert Olshan 4900 Massachusetts Avenue, NW Suite 220 Washington, DC 20016	Social security number(s)	Employer identification number
		20 2222409
	Daytime telephone number (517) 675-7323	Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Cleta Mitchell, Esq. c/o Foley & Lardner LLP 3000 K Street NW, Sixth Floor Washington, DC 20007	CAF No. 03-004041R Telephone No. 202-295-4081 Fax No. 202-672-5399 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Andrew Morton, Esq. c/o Foley & Lardner LLP 3000 K Street NW, Sixth Floor Washington, DC 20007	CAF No. None Telephone No. 202-672-5329 Fax No. 202-672-5399 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. Telephone No. Fax No. Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Recognition of Exemption	1024	2009 forward
Matters Related to Exempt Status	ALL	2009 forward

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific Uses Not Recorded on CAF** **5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative or add additional representatives, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 1 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Treasury Department Circular No. 230 (Circular 230). An enrolled retirement plan administrator may only represent taxpayers to the extent provided in section 10.3(e) of Circular 230. See the line 5 instructions for restrictions on tax matters partners. In most cases, the student practitioner's (levels k and l) authority is limited (for example, they may only practice under the supervision of another practitioner).

List any specific additions or deletions to the acts otherwise authorized in this power of attorney:
.....
.....**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ►

7 **Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.

a If you also want the second representative listed to receive a copy of notices and communications, check this box.

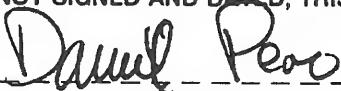
b If you do not want any notices or communications sent to your representative(s), check this box.

8 **Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here.

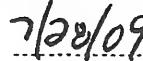
YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 **Signature of taxpayer(s).** If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

► **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**



Signature



Date



Title (if applicable)

Dan Pero

Print Name

PIN Number

American Justice Partnership

Print name of taxpayer from line 1 if other than individual

Signature

Date

Title (if applicable)

PIN Number

Print Name

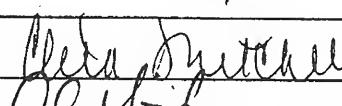
Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program (levels k and l), see the instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Circular 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c Enrolled Agent—enrolled as an agent under the requirements of Circular 230.
 - d Officer—a bona fide officer of the taxpayer's organization.
 - e Full-Time Employee—a full-time employee of the taxpayer.
 - f Family Member—a member of the taxpayer's immediate family (for example, spouse, parent, child, brother, or sister).
 - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - h Unenrolled Return Preparer—the authority to practice before the Internal Revenue Service is limited by Circular 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 1 of the instructions.
 - k Student Attorney—student who receives permission to practice before the IRS by virtue of their status as a law student under section 10.7(d) of Circular 230.
 - l Student CPA—student who receives permission to practice before the IRS by virtue of their status as a CPA student under section 10.7(d) of Circular 230.
 - r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

► **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.** See the Part II instructions.

Designation—Insert above letter (a-r)	Jurisdiction (state) or identification	Signature	Date
a	DC		7.27.09 X
a	DC		7-27-09 X

17053215316009

Form 1024

(Rev. September 1998)

Department of the Treasury
Internal Revenue ServiceApplication for Recognition of Exemption
Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application. If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.

Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)
 Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)	2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) 20 : 2222409	
American Justice Partnership		
1b c/o Name (if applicable)	3 Name and telephone number of person to be contacted if additional information is needed Mr. Robert Olshan	
1c Address (number and street) 4900 Massachusetts Avenue, NW		Room/Suite Suite 220
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. Washington, DC 20016		
1e Web site address www.americanjusticepartnership.org	4 Month the annual accounting period ends December	5 Date incorporated or formed January 25, 2005
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
7 Has the organization filed Federal income tax returns or exempt organization information returns? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE
SIGN
HEREDan Pero
(Signature)

Dan Pero

(Type or print name and title of signer)

7-29-09

(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

17152009215001

JUL 29 '09

JUL 31 '09

CINCINNATI
SERVICE CENTER

JMT

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

See attached.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

AJP is supported by personal and corporate financial contributions that range from \$25,000 to \$500,000. For an itemized list of contributions, please see attached IRS Form 990 returns for tax-years 2005 through 2007.

Part II. Activities and Operational Information (continued)

3 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
See attached.	See attached.

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

Not applicable.

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

Not applicable.

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

Not applicable -- AJP will not issue stock.

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

AJP's Board of Directors is authorized to establish classes of membership in AJP, and to determine the rights, responsibilities and amounts due to be paid at each level of membership. At present, however, AJP's Board of Directors has not established any requirements for membership in the organization, and anyone may be a member of AJP.

8 Explain how your organization's assets will be distributed on dissolution.

Upon AJP's dissolution and after paying or providing for payment of its debts by majority vote, the Board of Directors will distribute AJP's remaining assets to any organization or organizations which has or have been created for the same or similar purposes as AJP, provided that the recipient organization(s) is an exempt organization under the provisions of Section 501 (c)(3) or 501 (c)(4) of the Internal Revenue Code, as amended.

Part II. Activities and Operational Information (continued)

9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? Yes No
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.

10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? Yes No
If "Yes," state in detail the amount received and the character of the services performed or to be performed.

11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? Yes No
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? Yes No
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? Yes No
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

14 Does the organization now lease or does it plan to lease any property? Yes No
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? Yes No
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
The majority of AJP's expenditures are for public education, grassroots lobbying and other activities appropriate for a social welfare organization. In the event that the organization determines to support or oppose candidates for office, such expenditures will be a minority of the organization's total expenditures and will be duly reported to the IRS on a Form 1120-POL Tax Return for Certain Political Organizations.

16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? Yes No
If "Yes," attach a recent copy of each.

Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	(a) Current Tax Year From 1/1/09 To 6/30/09	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	(b) 2008	(c) 2007	(d) 2006		
1 Gross dues and assessments of members	0	0	0	0	0
2 Gross contributions, gifts, etc.	1,925,000	2,755,000	3,528,426	6,629,846	14,838,272
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	0	0	0	0	0
4 Gross amounts from unrelated business activities (attach schedule)	0	0	0	0	0
5 Gain from sale of assets, excluding inventory items (attach schedule)	0	0	0	0	0
6 Investment income (see page 3 of the instructions)	1,616	30,250	63,520	73,940	169,326
7 Other revenue (attach schedule)	0	0	0	0	0
8 Total revenue (add lines 1 through 7)	1,926,616	2,785,250	3,591,946	6,703,786	15,007,598
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes.	0	0	0	0	0
10 Expenses attributable to unrelated business activities	0	0	0	0	0
11 Contributions, gifts, grants, and similar amounts paid (attach schedule)	604,000	2,523,000	2,378,000	5,711,000	11,216,000
12 Disbursements to or for the benefit of members (attach schedule)	0	0	0	0	0
13 Compensation of officers, directors, and trustees (attach schedule)	167,496	334,992	334,992	300,000	1,137,480
14 Other salaries and wages.	0	0	0	0	0
15 Interest	0	0	0	0	0
16 Occupancy	1,800	3,600	3,600	3,600	12,600
17 Depreciation and depletion	288	576	576	576	2,016
18 Other expenses (attach schedule)	253,920	608,421	504,498	568,739	1,935,578
19 Total expenses (add lines 9 through 18)	1,027,504	3,470,589	3,221,666	6,583,915	14,303,674
20 Excess of revenue over expenses (line 8 minus line 19)	899,112	(685,339)	370,280	119,871	703,924

B. Balance Sheet (at the end of the period shown)

	Assets		Current Tax Year as of 6/30/09
1 Cash.		1	1,601,121
2 Accounts receivable, net		2	0
3 Inventories		3	0
4 Bonds and notes receivable (attach schedule)		4	0
5 Corporate stocks (attach schedule)		5	0
6 Mortgage loans (attach schedule)		6	0
7 Other investments (attach schedule)		7	0
8 Depreciable and depletable assets (attach schedule)		8	576
9 Land.		9	0
10 Other assets (attach schedule)		10	160
11 Total assets		11	1,601,857
	Liabilities		
12 Accounts payable		12	900
13 Contributions, gifts, grants, etc., payable		13	0
14 Mortgages and notes payable (attach schedule)		14	0
15 Other liabilities (attach schedule)		15	0
16 Total liabilities		16	900
	Fund Balances or Net Assets		
17 Total fund balances or net assets		17	1,600,957
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		18	1,601,857

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ►

Schedule B Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)

1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? Yes No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? Yes No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? Yes No

If "Yes," explain.

4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

Not applicable.

Form 8718
(Rev. June 2006)
Department of the Treasury
Internal Revenue Service

User Fee for Exempt Organization Determination Letter Request

► Attach this form to determination letter application.
(Form 8718 is NOT a determination letter application.)

For IRS Use Only	OMB No. 1545-1798
	Control number <u>750</u>
	Amount paid <u>750</u>
	User fee screener <u>MJS</u>

1 Name of organization

American Justice Partnership

2 Employer Identification Number

20 2222409

3 Type of request

Fee

a Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ► \$300

Note. If you checked box 3a, you must complete the Certification below.

Certification

I certify that the annual gross receipts of name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ►

Title ►

b Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years ► \$750

c Group exemption letters

► \$900

Instructions

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2006-8, 2006-1 I.R.B. 245, or latest annual update.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

Where To File

Send the determination letter application and Form 8718 to:

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send this form to this address. Instead, see Where To File above.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

Attach Check or Money Order Here

MMH



FOLEY & LARDNER LLP

ATTORNEYS AT LAW

WASHINGTON HARBOUR
3000 K STREET, N.W., SUITE 500
WASHINGTON, D.C. 20007-5143
202.672.5300 TEL
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foley.com

July 30, 2009

WRITER'S DIRECT LINE
202.672.5329
amorton@foley.com EMAIL

CLIENT/MATTER NUMBER
055404-0101

VIA REGISTERED MAIL

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

Re: American Justice Partnership, Inc. – EIN: 20-2222409

Dear Sir or Madam:

Enclosed are the following documents in connection with the above-referenced organization's Application for Recognition of Exemption under section 501(c)(4) of the Internal Revenue Code:

1. Form 8718
2. Form 2848
3. User Fee: Check for \$750 payable to United States Treasury.
4. Form 1024 and the following exhibits:

Exhibit A – Articles of Incorporation

Exhibit B – Amendment to the Articles of Incorporation (dated March 7, 2007)

Exhibit C – Amendment to the Articles of Incorporation (dated June 30, 2009)

Exhibit D – Bylaws

Exhibit E – Exempt Organization Information Returns
Part I, Question 7

Exhibit F - Narrative Description of Activities
Part II, Question 1

Exhibit G – Present and Future Sources of Financial Support
Part II, Question 2

BOSTON
BRUSSELS
CENTURY CITY
CHICAGO
DETROIT

JACKSONVILLE
LOS ANGELES
MADISON
MIAMI
MILWAUKEE

NEW YORK
ORLANDO
SACRAMENTO
SAN DIEGO
SAN DIEGO/DEL MAR

SAN FRANCISCO
SHANGHAI
SILICON VALLEY
TALLAHASSEE
TAMPA

TOKYO
WASHINGTON, D.C.



FOLEY & LARDNER LLP

Internal Revenue Service
July 30, 2009
Page 2

Exhibit H – Names and Addresses of Officers and Directors
Part II, Question 3(a)

Exhibit I – Annual Compensation of Officers & Directors
Part II, Question 3(b)

Exhibit J – Distribution of Assets on Dissolution
Part II, Question 8

Exhibit K – Publications of the Organization
Part II, Question 16

Thank you for your attention to this matter. If you have any questions or require additional information, please contact the undersigned at (202) 672-5329.

Sincerely,

A handwritten signature in black ink, appearing to read "AD MORTON".

Andrew D. Morton, Esq.
of FOLEY & LARDNER LLP

ADM/adm
Enclosures

ARTICLES OF INCORPORATION
OF
AMERICAN JUSTICE PARTNERSHIP

TO: Department of Consumer and Regulatory Affairs
Business Regulation Administration
Corporations Division
Washington, D.C.

THE UNDERSIGNED, all of whom are natural persons of the age of eighteen years or more, acting as incorporators of a corporation pursuant to the District of Columbia Nonprofit Corporation Act, hereby certify:

FIRST: The name of the Corporation is American Justice Partnership.

SECOND: The period of duration of the Corporation is perpetual.

THIRD: The Corporation is organized and shall be operated exclusively as a nonprofit business league within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended ("the Code"). The purposes of the Corporation are to receive, administer and expend funds to promote the common interests of businesses that are interested in legal reform.

In addition, the Corporation shall have all the general powers enumerated in Section 29-301.05 of the District of Columbia Nonprofit Corporation Act as now in effect or as may hereafter be amended.

FOURTH: The Corporation is not authorized to issue capital stock.

FIFTH: The Corporation shall have no members.

SIXTH: The affairs of the Corporation shall be carried on by its Board of Directors. The manner of appointment, tenure, and election of successor directors is set forth in the bylaws.

SEVENTH: Provisions for the regulation of the internal affairs of the Corporation, including provisions for distribution of assets on dissolution or final liquidation are as follows:

A. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation, or any other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and

to make payments and distributions in furtherance of the purposes set forth in Article THIRD hereof.

B. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not directly or indirectly carry on any activity, which would not be permitted to be carried on by an organization exempt under Section 501(c)(6) of the Code.

C. In the event of dissolution or final liquidation of the Corporation, all of the remaining assets and property of the Corporation shall, after paying or making provision for the payment of all of the liabilities and obligations of the Corporation and for necessary expenses thereof, be applied in a manner consistent with the purposes for which the Corporation is organized as the Board of Directors shall determine.

EIGHTH: The address, including street and number, of the initial registered office of the Corporation is 1090 Vermont Avenue, Washington, D.C. 20005, and the name of its initial registered agent at such address is Corporation Service Company.

NINTH: The number of directors constituting the initial Board of Directors is three (3), and the names and addresses, including street and number, of the persons who are to serve as the initial directors until their successors are elected are as follows:

<i>Name</i>	<i>Address</i>
John Engler	1331 Pennsylvania Ave NW Washington, DC 20004
Steve Hantler	1331 Pennsylvania Ave NW Washington, DC 20004
LeAnne Wilson	1331 Pennsylvania Ave NW Washington, DC 20004

TENTH: The name and address, including street and number, of each incorporator is as follows:

<i>Name</i>	<i>Address</i>
John Engler	1331 Pennsylvania Ave NW Washington, DC 20004
Jan Amundson	1331 Pennsylvania Ave NW Washington, DC 20004

LeAnne Wilson

1331 Pennsylvania Ave NW
Washington, DC 20004

ELEVENTH: These Articles of Incorporation may be signed in any number of counterparts, all of which when taken together will constitute one and the same document.

Dated as of: January 25, 2005

SIGNATURE PAGE TO
ARTICLES OF INCORPORATION OF
AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF, the undersigned subscribe these Articles of Incorporation as
of the date set forth above.


John Engler


Jan Amundson


LeAnne Wilson

District of Columbia) ss

I, John Engler, a notary public, hereby certify that on the 25 day of January, 2005, personally appeared before me John Engler, who being first duly sworn, declared that he signed the foregoing document as incorporator, and that the statements therein contained are true.

(Notarial Seal)

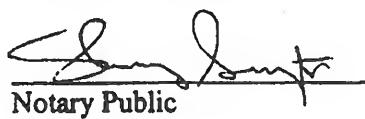

Notary Public

SHONZIA ARRINGTON
Notary Public, District of Columbia
My Commission Expires February 28, 2009

District of Columbia) ss

I, Shonzia Arrington, a notary public, hereby certify that on the 25 day of January, 2005, personally appeared before me Jan Amundson, who being first duly sworn, declared that she signed the foregoing document as incorporator, and that the statements therein contained are true.

(Notarial Seal)


Notary Public

SHONZIA ARRINGTON
Notary Public, District of Columbia
My Commission Expires February 28, 2009

District of Columbia) ss

I, Shonzia Arrington, a notary public, hereby certify that on the day of January, 2005, personally appeared before me LeAnne Wilson, who being first duly sworn, declared that she signed the foregoing document as incorporator, and that the statements therein contained are true.

(Notarial Seal)


Notary Public

SHONZIA ARRINGTON
Notary Public, District of Columbia
My Commission Expires February 28, 2009

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
AMERICAN JUSTICE PARTNERSHIP

TO: Department of Consumer and Regulatory Affairs
Business Regulation Administration
Corporations Division
Washington, D.C.

THE UNDERSIGNED, being the duly elected President or Vice-President of American Justice Partnership, a nonprofit corporation created pursuant to the District of Columbia Nonprofit Corporation Act (the "Corporation") hereby certifies:

- (1) The name of the Corporation is AMERICAN JUSTICE PARTNERSHIP.
- (2) The following amendment to the Corporation's Articles of Incorporation was duly considered and adopted by the Corporation:

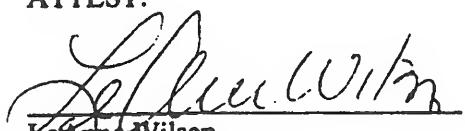
FIRST: Article FIFTH of the Corporation's Articles of Incorporation shall be modified in its entirety to read as follows:

The Corporation shall have members. The means of selecting members and the rights and duties of members shall be as set forth in the Bylaws of the Corporation from time to time.

SECOND: In all other respects, the Corporation's Articles of Incorporation shall remain in effect as initially filed with the Department of Consumer and Regulatory Affairs.

(3) The Corporation has no members and the amendment to the Corporation's Articles of Incorporation set out in (2) above was considered at a duly convened meeting of the Corporation's Board of Directors on March 7, 2007 and was at that meeting adopted by a majority of the directors in office.

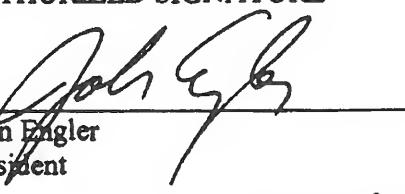
ATTEST:



LeAnne Wilson
Corporate Secretary

Date of Signature: 3/7/07

AUTHORIZED SIGNATURE



John Engler
President

Date of Signature: 3/7/07

RESOLVED: That the changes to the Articles of Incorporation reflected in the attached Articles of Amendment be adopted by the Board of Directors, following which adoption the Corporation's Officers are directed to file these in duplicate with the District of Columbia's Department of Consumer and Regulatory Affairs, Corporations Division and obtain a certified copy of such changes.

ARTICLES OF AMENDMENT TO
THE ARTICLES OF INCORPORATION OF

AMERICAN JUSTICE PARTNERSHIP

To: Department of Consumer and Regulatory Affairs
Business Regulations Administration
Corporations Division
District of Columbia

Pursuant to the provisions of the District of Columbia Nonprofit Corporation Act, the undersigned, being and constituting all of the members of the Board of Directors of American Justice Partnership (the "Corporation"), hereby adopts the following Articles of Amendment to its Articles of Incorporation:

(1) The name of the corporation is:

AMERICAN JUSTICE PARTNERSHIP

(2) The following amendment of the Articles of Incorporation was duly considered and adopted by the Corporation in the manner prescribed by the District of Columbia Nonprofit Corporation Act:

FIRST: Article THIRD of the Corporation's Articles of Incorporation shall be modified in its entirety to read as follows:

The Corporation is organized and shall be operated exclusively as a nonprofit social welfare organization within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended (the "Code"). The purposes of the Corporation are to promote legal reform in the states; to educate citizens about civil justice, legal reform and the importance of the rule of law in American jurisprudence; and for any other lawful purpose for a social welfare organization pursuant to Section 501(c)(4) of the Code (or the corresponding section of any future federal tax code).

In addition, the Corporation shall have all the general power enumerated in Section 29-301.05 of the District of Columbia Nonprofit Corporation Act as now in effect or as may hereafter be amended.

SECOND: In all other respects, the Corporation's Articles of Incorporation shall remain in effect as filed and amended with the Department of Consumer and Regulatory Affairs.

(3) The amendment was adopted by a consent in writing, signed by all members entitled to vote with respect thereto.

(4) These Articles of Amendment may be signed in any number of counterparts, all of which when taken together will constitute one and the same document.

Dated as of: April 30, 2009

IN WITNESS WHEREOF, the undersigned have executed this consent as of the date set forth above.

Dan Pero
Dan Pero
President

Cleta Mitchell
Cleta Mitchell
Secretary

BYLAWS
OF
AMERICAN JUSTICE PARTNERSHIP
(formed under the District of Columbia
Nonprofit Corporation Act)
(January 26, 2005)

ARTICLE I
Name and Location

Section 1.01 *Name*. The name of the Corporation is American Justice Partnership.

Section 1.02 *Location*. The principal office of the Corporation shall be located within or without the District of Columbia, at such place as the Board of Directors shall from time to time designate. The Corporation may maintain additional offices at such other places as the Board of Directors may designate. The Corporation shall continuously maintain within the District of Columbia a registered office at such place as may be designated by the Board of Directors.

ARTICLE II
Board of Directors

Section 2.01 *Power of Board*. The affairs of the Corporation shall be managed by the Board of Directors.

Section 2.02 *Number of Directors*. The number of directors of the Corporation shall be three (3). The number of directors may be increased or decreased from time to time by action of the Board of Directors. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. The number of directors shall never be less than three (3).

Section 2.03 *Election and Term of Directors*. The initial Board of Directors of the Corporation shall consist of those persons named in the Articles of Incorporation. Each Director shall hold office until the next annual meeting of the Board and until his successor is elected and qualified, or until his earlier death, resignation or removal. At each annual meeting of the Board, the Board of Directors shall elect the directors.

Section 2.04 *Vacancies*. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors, may be filled by the affirmative vote of a majority of the directors then in office though less than a quorum. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office and until his successor is elected.

Section 2.05 *Removal of Directors*. A director may be removed with or without cause at any time by an affirmative vote of a majority of the directors then in office.

Section 2.06 Resignations. Except as may be restricted by law, any director of the Corporation may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect at the time specified therein, or if no time is specified therein then upon delivery. Unless otherwise specified in such notice, no acceptance of such resignation shall be necessary to make it effective.

Section 2.07 Quorum and Action by the Board of Directors. Unless a greater proportion is required by law, a majority of the number of directors shall constitute a quorum for the transaction of business, provided, however, that in no event shall a quorum consist of less than one-third of the number of directors so fixed. Except as otherwise provided by law or by the Articles of Incorporation or these Bylaws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 2.08 Meetings of the Board of Directors. The Directors shall elect a Chairman to preside over all meetings of the Board of Directors. Meetings of the Board of Directors, annual or special, may be called by the Chairman and may be held within or without the District of Columbia. Written notice stating the place, date and time of a meeting shall be delivered to all directors at least two (2) business days before the date of such meeting.

A director's attendance at any meeting shall constitute waiver of notice of such meeting, excepting such attendance at a meeting by the director for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of such meeting.

Section 2.09 Informal Action by Directors; Meetings by Conference Telephone. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all directors consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the directors shall be filed with the minutes of proceedings of the Board of Directors.

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any or all directors may participate in a meeting of the Board of Directors or a committee of the Board of Directors by means of conference telephone or by any means of communications by which all persons participating in the meeting are able to communicate with one another, and such participation shall constitute presence in person at the meeting.

ARTICLE III *Committees*

Section 3.01 Committees; Authority. The Board of Directors, by resolution adopted by a majority of the directors then in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors of the Corporation. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated and appointed by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present.

The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it or him by law.

ARTICLE IV *Officers, Agents and Employees*

Section 4.01 Officers. The Board of Directors shall elect or appoint a President, a Secretary and a Treasurer, and it may, if it so determines, elect or appoint such other officers and assistant officers as may be deemed necessary. Any two or more offices may be held by the same person except the offices of President and Secretary.

Section 4.02 Term of Office; Removal and Resignation. Each officer shall hold office for the term (not exceeding three years) for which he is elected or appointed and until his successor has been elected or appointed. Any officer may be removed with or without cause by the Board of Directors; provided, however, that removal of an officer shall be without prejudice to his contract rights, if any, and the election or appointment of an officer shall not of itself create contract rights. Except as may be restricted by law, any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect at the time specified therein, or if no time is specified therein then upon delivery. Unless otherwise specified in such notice, no acceptance of such resignation shall be necessary to make it effective.

Section 4.03 Vacancies. Any vacancy occurring may be filled by the Board of Directors. An officer elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 4.04 Powers and Duties of Officers. Subject to the control of the Board of Directors, all officers as between themselves and the Corporation shall have such authority and perform such duties in the management of the property and affairs of the Corporation as may be provided in these Bylaws or by resolution of the Board of Directors and, to the extent not so provided, as generally pertain to their respective offices. Officers may delegate all or part of their powers and duties to agents or employees of the Corporation.

President. The President shall perform such duties and have such other powers as the Board of Directors may determine from time to time. The President shall be responsible for the management of the business of the Corporation, shall report to the Board of Directors, and shall see that all orders and resolutions of the Board of Directors are carried into effect, all subject to

the general control of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors.

Secretary. The Secretary shall be responsible for the keeping of an accurate record of the proceedings of all meetings of the Board of Directors, shall give or cause to be given all notices in accordance with these Bylaws or as required by law, and, in general, shall perform all duties customary to the office of Secretary.

Treasurer. The Treasurer shall have the custody of, and be responsible for, all funds and securities of the Corporation. He shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all monies and other valuable property of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board of Directors may designate. Whenever required by the Board of Directors, the Treasurer shall render a statement of accounts. He shall at all reasonable times exhibit the books and accounts to any officer or director of the Corporation, and shall perform all duties incident to the office of Treasurer, subject to the supervision of the Board of Directors, and such other duties as shall from time to time be assigned by the Board of Directors. The Treasurer shall be responsible for directing and overseeing all the financial activities of the corporation including preparation of current financial reports as well as summaries and forecasts for future growth and general economic outlook.

Section 4.05 Agents and Employees. The Board of Directors, or by its authority the President, may appoint agents and employees who shall have such authority and perform such duties as may be prescribed by the Board of Directors. The Board of Directors may remove any agent or employee at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

ARTICLE V *Miscellaneous*

Section 5.01 Fiscal Year. The fiscal year of the Corporation shall be the calendar year or such other period as may be fixed by the Board of Directors.

Section 5.02 Checks, Notes and Contracts. The Board of Directors shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes, or other evidences of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments.

Section 5.03 Books and Records to be Kept. The Corporation shall keep correct and complete books and records of account and minutes of the proceedings of the Board of Directors and any committee having any of the authority of the Board of Directors.

Section 5.04 Amendment of Articles and Bylaws. The Articles of Incorporation and these Bylaws may be amended by an affirmative vote of a majority of the directors then in office.

Section 5.05 Indemnification and Insurance. Unless otherwise prohibited by law, the Corporation may indemnify any director or officer, any former director or officer, any person

who may have served at its request as a director or officer of another corporation, whether for profit or not for profit, and may, by resolution of the Board of Directors, indemnify any employee against any and all expenses and liabilities actually and necessarily incurred by him or imposed on him in connection with any claim, action, suit, or proceeding (whether actual or threatened, civil, criminal, administrative, or investigative, including appeals) to which he may be or is made a party by reason of being or having been such director, officer, or employee; subject to the limitation, however, that there shall be no indemnification in relation to matters as to which he shall be adjudged in such claim, action, suit, or proceeding to be guilty of a criminal offense or liable to the Corporation for damages arising out of his own negligence or misconduct in the performance of a duty to the Corporation.

Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to, counsel fees and other fees; costs and disbursements; and judgments, fines, and penalties against, and amounts paid in settlement by, such director, officer, or employee. The Corporation may advance expenses to, or where appropriate may itself, at its expense, undertake the defense of, any director, officer, or employee; provided, however, that such director, officer, or employee shall undertake to repay or to reimburse such expense if it should be ultimately determined that he is not entitled to indemnification under this Section.

The provisions of this Section shall be applicable to claims, actions, suits, or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after adoption hereof.

The indemnification provided by this Section shall not be deemed exclusive of any other rights to which such director, officer, or employee may be entitled under any statute, Bylaw, agreement, vote of the Board of Directors, or otherwise and shall not restrict the power of the Corporation to make any indemnification permitted by law.

The Board of Directors may authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against any liability asserted against or incurred by him which arises out of such person's status as a director, officer, employee, or agent or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify the person against that liability under law.

If any part of this Section shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part I, Question 7 – Federal Income Tax Returns or Exempt Organization Information Returns

For the following years, American Justice Partnership filed IRS Form 990, Return of Organization Exempt from Income tax:

- 2005, 2006, 2007, 2008

For the following years, American Justice Partnership filed IRS Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations:

- 2008

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part II, Question 1 – Activities of the Organization

The American Justice Partnership is a national nonprofit coalition of leading corporations, think tanks, foundations, trade associations, individuals and organizations advocating for legal reform at the state level.

Much of the work of the courts focuses on civil litigation liability issues that directly affect the ability of companies to create jobs, compete in world markets and grow the American economy.

American Justice Partnership believes it is in the nation's interest to restore fairness and predictability to the legal system so that the rights of individuals and businesses to grow businesses and jobs are not threatened by abusive lawsuits and unreasonable jury awards.

American Justice Partnership was formed to achieve three goals:

1. Enhancement of the public's understanding with respect to the importance of legal reform and the need to become politically involved
2. Enactment of legislation and adoption of state court rules that substantially will reduce the perverse incentives for filing frivolous lawsuits, which are causing harm to American businesses and consumers while mainly providing a benefit to trial lawyers
3. Creation of a climate, state by state, in which citizens are educated about the importance of the rule of law, and how public officials can and do impact the society by their actions, policies and decisions related to civil justice.

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part II, Question 2 – Present and Future Sources of Financial Support

1. IRS Form 990 for FY-2005
2. IRS Form 990 for FY-2006
3. IRS Form 990 for FY-2007

Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2005

Open to Public
Inspection

A For the 2005 calendar year, or tax year beginning

and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization AMERICAN JUSTICE PARTNERSHIP	D Employer identification number 20-2222409
E Number and street (or P.O. box if mail is not delivered to street address) 1331 PENNSYLVANIA AVENUE, NW F City or town, state or country, and ZIP + 4 WASHINGTON, DC 20004		Room/suite E Telephone number 202-27-3000
G Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).		H and I are not applicable to section 527 organizations.
J Organization type (check only one) ► <input checked="" type="checkbox"/> 501(c)(6) (insert no.) 4947(a)(1) or 527		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
K Check here ► <input type="checkbox"/> if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.		H(b) If "Yes," enter number of affiliates ► N/A
L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 2,571,811.		H(c) Are all affiliates included? N/A <input type="checkbox"/> Yes <input type="checkbox"/> No H(d) Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
M Check ► <input type="checkbox"/> if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).		I Group Exemption Number ► N/A

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1 Contributions, gifts, grants, and similar amounts received: a Direct public support b Indirect public support c Government contributions (grants) d Total (add lines 1a through 1c) (cash \$ 2,571,811. noncash \$)	1a 2,571,811. 1b 1c 1d 2,571,811.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2
	3 Membership dues and assessments	3
	4 Interest on savings and temporary cash investments	4
	5 Dividends and interest from securities	5
	6 a Gross rents b Less: rental expenses c Net rental income or (loss) (subtract line 6b from line 6a)	6a 6b 6c
	7 Other investment income (describe ►)	7
	8 a Gross amount from sales of assets other than inventory b Less: cost or other basis and sales expenses c Gain or (loss) (attach schedule) d Net gain or (loss) (combine line 8c, columns (A) and (B))	(A) Securities 8a 8b 8c 8d
	9 Special events and activities (attach schedule). If any amount is from gaming, check here ► <input type="checkbox"/> a Gross revenue (not including \$ of contributions reported on line 1a) b Less: direct expenses other than fundraising expenses c Net income or (loss) from special events (subtract line 9b from line 9a)	9a 9b 9c
	10 a Gross sales of inventory, less returns and allowances b Less: cost of goods sold c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10a 10b 10c
	11 Other revenue (from Part VII, line 103)	11
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12 2,571,811.
Expenses	13 Program services (from line 44, column (B))	13
	14 Management and general (from line 44, column (C))	14
	15 Fundraising (from line 44, column (D))	15
	16 Payments to affiliates (attach schedule)	16
	17 Total expenses (add lines 13, 14, 15, and 16, column (B))	17 1,674,778.
	18 Excess of income over the year (subtract line 12 from line 17)	18 897,033.
	19 Add any other adjustments to determine net assets at year end (attach schedule)	19
	20 Other increases in net assets or fund balances (attach schedule)	20 0.
	21 Other decreases in net assets or fund balances (attach schedule)	21 897,033.

See the Privacy Act and Paperwork Reduction Act notice and the separate instructions.

Form 990

100-0100 0004 302W 0464

Form 8868

(Rev. December 2004)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box ►
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only ►

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1068.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one or more of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension. Instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization	Employer identification number
	AMERICAN JUSTICE PARTNERSHIP	20-2222409
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1331 PENNSYLVANIA AVENUE, NW	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20004	

Check type of return to be filed (file a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► **THE ASSOCIATION**

Telephone No. ► **202-637-3000** FAX No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the **whole group**, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a Form 990-T corporation) extension of time until **AUGUST 15, 2006** to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► calendar year **2005** or
► tax year beginning _____, and ending _____.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____ N/A

Caution: If you are going to make an electronic fund withdrawal with this Form 8868, see Form 6453-EO and Form 8879-EO for payment instructions.

L-1A For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868, Rev. 12-2004

- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box ►

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.		
Type or print.	Name of Exempt Organization AMERICAN JUSTICE PARTNERSHIP	Employer identification number 20-2222409
File by the extended due date for filing the return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1331 PENNSYLVANIA AVENUE, NW	For IRS use only FILE COPY
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20004	

Check type of return to be filed (File a separate application for each return):

Form 990 Form 990-EZ Form 990-T (sec. 401(a) or 408(a) trust) Form 1041-A Form 5227 Form 8870
 Form 990-BL Form 990-PF Form 990-T (trust other than above) Form 4720 Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► **THE ASSOCIATION**

Telephone No. ► **202-637-3000**

FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2006**.

5 For calendar year **2005**, or other tax year beginning and ending .

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension

ADDITIONAL TIME IS NEEDED TO GATHER THE NECESSARY ITEMS TO COMPLETE AN ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$

c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Judge Sevona COA Title ► **Senior Manager** Date ► **8-7-06**

Notice to Applicant - To Be Completed by the IRS

We have approved this application. Please attach this form to the organization's return.

We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.

We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.

We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.

Other _____

Director _____ By: _____ Date: _____

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name	JOHNSON LAMBERT & CO.
Type or print	Number and street (include suite, room, or apt. no.) or a P.O. box number 3110 FAIRVIEW PARK DRIVE, SUITE 800
City or town, province or state, and country (including postal or ZIP code)	FALLS CHURCH, VA 22042

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) .. (cash \$ 1,039,992. noncash \$ 0.)	22 1,039,992.		STATEMENT 2	
If this amount includes foreign grants, check here ► <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule) ..	23			
24 Benefits paid to or for members (attach schedule) ..	24			
25 Compensation of officers, directors, etc. ..	25 0.			
26 Other salaries and wages ..	26			
27 Pension plan contributions ..	27			
28 Other employee benefits ..	28			
29 Payroll taxes ..	29			
30 Professional fundraising fees ..	30			
31 Accounting fees ..	31			
32 Legal fees ..	32 6,761.			
33 Supplies ..	33			
34 Telephone ..	34 1,412.			
35 Postage and shipping ..	35 188.			
36 Occupancy ..	36 2,700.			
37 Equipment rental and maintenance ..	37			
38 Printing and publications ..	38 6,057.			
39 Travel ..	39 33,334.			
40 Conferences, conventions, and meetings ..	40			
41 Interest ..	41			
42 Depreciation, depletion, etc. (attach schedule)	42 288.			
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e _____	43e			
f _____	43f			
g SEE STATEMENT 1	43g 584,046.			
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 1,674,778.			

Joint Costs. Check ► if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ► Yes NoIf "Yes," enter (i) the aggregate amount of these joint costs \$ N/A; (ii) the amount allocated to Program services \$ N/A;(iii) the amount allocated to Management and general \$ N/A; and (iv) the amount allocated to Fundraising \$ N/A

Part III: Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► <u>SEE STATEMENT 4</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a <u>SEE STATEMENT 3</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
b	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
	45 Cash - non-interest-bearing		45	959,748.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b		47c
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees			50
Assets	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges			53
	54 Investments - securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b		55c
	56 Investments - other			56
	57 a Land, buildings, and equipment: basis	57a	2,880.	
	b Less: accumulated depreciation STMT 5	57b	288.	57c 2,592.
	58 Other assets (describe ► _____)			58
	59 Total assets (must equal line 74). Add lines 45 through 58		0.	962,340.
Liabilities	60 Accounts payable and accrued expenses		60	65,307.
	61 Grants payable			61
	62 Deferred revenue			62
	63 Loans from officers, directors, trustees, and key employees			63
	64 a Tax-exempt bond liabilities			64a
	b Mortgages and other notes payable			64b
	65 Other liabilities (describe ► _____)			65
	66 Total liabilities. Add lines 60 through 65		0.	65,307.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted		67	897,033.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		0.	897,033.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73		0.	962,340.

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a Total revenue, gains, and other support per audited financial statements	a	2,571,811.
b Amounts included on line a but not on Part I, line 12:	b	
1 Net unrealized gains on investments	b1	
2 Donated services and use of facilities	b2	
3 Recoveries of prior year grants	b3	
4 Other (specify): _____ Add lines b1 through b4	b4	0.
c Subtract line b from line a	c	2,571,811.
d Amounts included on Part I, line 12, but not on line a:	d	
1 Investment expenses not included on Part I, line 6b	d1	
2 Other (specify): _____ Add lines d1 and d2	d2	0.
e Total revenue (Part I, line 12). Add lines c and d	e	2,571,811.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a Total expenses and losses per audited financial statements	a	1,674,778.
b Amounts included on line a but not on Part I, line 17:	b	
1 Donated services and use of facilities	b1	
2 Prior year adjustments reported on Part I, line 20	b2	
3 Losses reported on Part I, line 20	b3	
4 Other (specify): _____ Add lines b1 through b4	b4	0.
c Subtract line b from line a	c	1,674,778.
d Amounts included on Part I, line 17, but not on line a:	d	
1 Investment expenses not included on Part I, line 6b	d1	
2 Other (specify): _____ Add lines d1 and d2	d2	0.
e Total expenses (Part I, line 17). Add lines c and d	e	1,674,778.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
DAN PERO 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	PRESIDENT 1.00	0.	0.	0.
STEVE HANTLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	CHAIRMAN 1.00	0.	0.	0.
JOHN ENGLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.
LEANNE WILSON 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Yes No

75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings	►	3	
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b	X	
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?	75c	X	
<p>Note. Related organizations include section 509(a)(3) supporting organizations.</p> <p>If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.</p>				
d	Does the organization have a written conflict of interest policy?	75d	X	

Note. Related organizations include section 509(a)(3) supporting organizations.

If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.

4 Does the organization have a written conflict of interest policy?

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Compensation, Have a Written Conflict of Interest Policy? 75d

Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefit in the appropriate column. See the instructions for the definition of key employee.)

Part VI Other Information (See the instructions.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization ►	N/A	
81 a	Enter direct or indirect political expenditures (see line 31c instructions)	31a	0
b	Did the organization file Form 1120-POL for this year?	31b	X

Part VI Other Information (continued)

	Yes	No
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	
84 a Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	X
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85c	N/A
c Dues, assessments, and similar amounts from members	85d	N/A
d Section 162(e) lobbying and political expenditures	85e	N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85f	N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85g	N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85h	N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	86	N/A
501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ► N/A ; section 4912 ► N/A ; section 4955 ► N/A	89a	
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	N/A
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		N/A
d Enter: Amount of tax on line 89c, above, reimbursed by the organization		N/A
90 a List the states with which a copy of this return is filed ► DC	90b	0
b Number of employees employed in the pay period that includes March 12, 2005		
91 a The books are in care of ► THE PARTNERSHIP Located at ► 1331 PENNSYLVANIA AVENUE, NW, WASHINGTON, DC	Telephone no. ► 202-637-3000 ZIP + 4 ► 20004	
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ► N/A	91b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91c	X
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ► N/A		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041. Check here and enter the amount of tax-exempt interest received or accrued during the tax year ► 92		N/A
		Form 990 (2005)

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

93 Program service revenue:

a _____
 b _____
 c _____
 d _____
 e _____

f Medicare/Medicaid payments

g Fees and contracts from government agencies

94 Membership dues and assessments

95 Interest on savings and temporary cash investments

96 Dividends and interest from securities

97 Net rental income or (loss) from real estate:

a debt-financed property

b not debt-financed property

98 Net rental income or (loss) from personal property

99 Other investment income

100 Gain or (loss) from sales of assets

other than inventory

101 Net income or (loss) from special events

102 Gross profit or (loss) from sales of inventory

103 Other revenue:

a _____
 b _____
 c _____
 d _____
 e _____

104 Subtotal (add columns (B), (D), and (E))

0. 0. 0.

105 Total (add line 104, columns (B), (D), and (E))

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

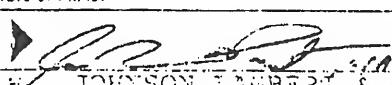
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

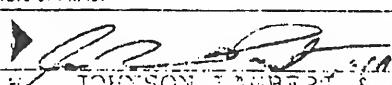
(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

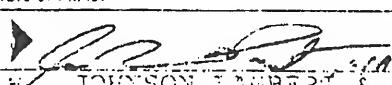
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

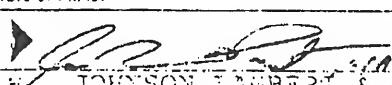
Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

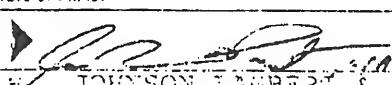
Please ^{Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than organization) is based on all information of which preparer had any knowledge.)}

Sign Here  Date 

Paid Preparer's Signature  Date  Preparer's EIN or SSN

Preparer's Name  JOHNSON LAMBERT & CO. Date  Preparer's EIN or SSN

Use Only  3110 FAIRVIEW PARK DRIVE, SUITE 800 Date  Preparer's EIN or SSN

AMT  703-842-1113 Date  Preparer's EIN or SSN

Schedule B
(Form 990, 990-EZ, or
990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2005

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Organization type (check one):

Filers of: Section:

Form 990 or 990-EZ 501(c)(6) (enter number) organization 4947(a)(1) nonexempt charitable trust not treated as a private foundation 527 political organizationForm 990-PF 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the **General Rule** and a **Special Rule**-see instructions.)**General Rule-** For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)**Special Rules-** For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test under Regulations sections 1.509(a)-3/1.170A-9(e) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.) For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.) For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____Caution: Organizations that are not covered by the **General Rule** and/or the **Special Rules** do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2005)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	AMERICAN TORT REFORM 1101 CONNECTICUT AVE., NW WASHINGTON, DC 20036	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	EQUAL JUSTICE 600 S WALNUT ST. LANSING, MI 48933-2209	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	HSBC 1501 FEEHANVILLE DR. MT. PROSPECT, IL 60056	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	DEVON 20 N. BROADWAY OKLAHOMA CITY, OK 73102	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	WEYERHAEUSER WEYERHAEUSER WAY SOUTH FEDERAL WAY, WA 98063-9769	\$ 70,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	GE PO BOX 60560 FORT MYERS, FL 33965	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

AMERICAN JUSTICE PARTNERSHIP

Employer identification number

20-2222409

Part I **Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	<u>VERIZON</u> <u>1095 AVE. OF AMERICA</u> <u>NEW YORK, NY 10036</u>	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	<u>PEPSI</u> <u>700 ANDERSON HILL ROAD</u> <u>PURCHASE, NY 10577</u>	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	<u>AMERICAN ELECTRIC</u> <u>1 RIVERSIDE PLAZA</u> <u>COLUMBUS, OH 43215</u>	\$ 151,810.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

2005 DEPRECIATION AND AMORTIZATION REPORT
FOR

FORM 990 PAGE 2

066

(D) - Asset disposed

■ ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

AMERICAN JUSTICE PARTNERSHIP

20-2222409

FORM 990

OTHER EXPENSES

STATEMENT 1

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
BANK AND PAYROLL FEES	32.			
INSURANCE	3,784.			
CONSULTING	25,000.			
CONTRIBUTIONS TO ORGANIZATIONS	102,000.			
OTHER SERVICE FEE	450,990.			
MISCELLANEOUS	830.			
MILEAGE REIMB	1,110.			
MEMBERSHIP FEES	300.			
 TOTAL TO FM 990, LN 43	 584,046.			

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
SUB GRANT AWARD	KANSAS CHAMBER OF COMMERCE	835 SW TOPEKA BLVD, TOPEKA, KS 66612	NONE	25,000.
SUB GRANT AWARD	TEXAS CIVIL JUSTICE	401 W. 15TH STREET, SUITE 975, AUSTIN, TX 78701	NONE	20,000.
SUB GRANT AWARD	OKLAHOMA CHAMBER	330 N.E. 10TH STREET, OKLAHOMA CITY, OK 73104	NONE	30,000.
SUB GRANT AWARD	FLORIDA JUSTICE REFORM	210 SOUTH MONROE STREET, TALLAHASSEE, FL	NONE	14,992.
SUB GRANT AWARD	AMERICAN TORT REFORM	1101 CONNECTICUT AVENUE, NW, WASHINGTON, DC	NONE	870,000.
SUB GRANT AWARD	SOUTH CAROLINA CIVIL JUSTICE	826 ASSEMBLY STREET, COLUMBIA, SC 29201	NONE	50,000.
SUB GRANT AWARD	WMC ISSUE MOBILIZATION	501 E. WASHINGTON AVE., MADISON, WI 53703	NONE	20,000.

AMERICAN JUSTICE PARTNERSHIP

20-2222409

TOTAL INCLUDED ON FORM 990, PART II, LINE 22

1,039,992.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 3

DESCRIPTION OF PROGRAM SERVICE ONE

EACH ACTIVITY THAT WE SUPPORT MUST MEET ONE OF THE THREE GOALS OF THE AJP. OUR SUPPORT OF LEGISLATIVE INITIATIVES IN SEVERAL STATES HELPED LEAD TO VARYING DEGREES OF REFORM. OUR SUPPORT OF PARTNER EFFORTS TO ADVOCATE FOR PRO-REFORM CANDIDATES FOR PUBLIC OFFICE WAS SUCCESSFUL IN THE SUPPORT BY THE PUBLIC OF MANY PRO-REFORM CANDIDATES COMMITTED TO LEGAL REFORM AGENDAS.

TO FORM 990, PART III, LINE A

GRANTS EXPENSES

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 4
PART III

EXPLANATION

THE AJP HAS THREE GOALS: 1) ENHANCE PUBLIC UNDERSTANDING ABOUT THE IMPORTANCE OF LEGAL REFORM AND THE NEED TO BECOME POLITICALLY INVOLVED; 2) WORK TO ENACT LEGISLATION AND ADOPT COURT RULES IN THE STATES TO SUBSTANTIALLY REDUCE THE PERVERSE INCENTIVES FOR JUNK LAWSUITS THAT ARE HURTING AMERICAN BUSINESSES AND CONSUMERS WHILE MAINLY BENEFITING THE TRIAL LAWYERS; 3) CREATE A CLIMATE, STATE BY STATE, IN WHICH PRO-REFORM CANDIDATES FOR GOVERNOR, THE STATE LEGISLATURE, SUPREME COURT AND LOWER COURTS, AND ATTORNEY GENERAL ARE SUPPORTED BY THE PUBLIC.

AMERICAN JUSTICE PARTNERSHIP

20-2222409

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 5

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
EQUIPMENT	2,880.	288.	2,592.
TOTAL TO FORM 990, PART IV, LN 57	2,880.	288.	2,592.

AMERICAN JUSTICE PARTNERSHIP

Form 990

Return of Organization Exempt From Income Tax

Department of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2006

Open to Public
Inspection

A For the 2006 calendar year, or tax year beginning

and ending

B Check if
applicable:

Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization

AMERICAN JUSTICE PARTNERSHIP

Number and street (or P.O. box if mail is not delivered to street address)

1331 PENNSYLVANIA AVENUE, NW

D Employer identification number

05-022409

E Telephone number

202-637-3000

F Accounting method
 Cash
 Other
(specify)G Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts
must attach a completed Schedule A (Form 990 or 990-EZ).

H Website: ► WWW.AMERICANJUSTICEPARTNERSHIP.ORG

J Organization type (check only one) ► 501(c)(6) (Insert no.) 4947(a)(1) or 527K Check here ► if the organization is not a 509(a)(3) supporting organization and its gross
receipts are normally not more than \$25,000. A return is not required, but if the organization
chooses to file a return, be sure to file a complete return.

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ► N/A

H(c) Are all affiliates included? N/A Yes No

(If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ► N/A

M Check ► if the organization is not required to attach
Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 6,703,786.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

1	Contributions, gifts, grants, and similar amounts received:		
a	Contributions to donor advised funds	1a	
b	Direct public support (not included on line 1a)	1b	6,629,846.
c	Indirect public support (not included on line 1a)	1c	
d	Government contributions (grants) (not included on line 1a)	1d	
e	Total (add lines 1a through 1d) (cash \$ 6,629,846. noncash \$)...	1e	6,629,846.
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	73,940.
5	Dividends and interest from securities	5	
6 a	Gross rents	6a	
b	Less: rental expenses	6b	
c	Net rental income or (loss). Subtract line 6b from line 6a	6c	
7	Other investment income (describe) ►	7	
8 a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
b	Less: cost or other basis and sales expenses	8a	
c	Gain or (loss) (attach schedule)	8b	
d	Net gain or (loss). Combine line 8c, columns (A) and (B)	8c	
9	Special events and activities (attach schedule). If any amount is from gaming, check here ► <input type="checkbox"/>	8d	
a	Gross revenue (not including \$ of contributions reported on line 1b) ...	9a	
b	Less: direct expenses other than fundraising expenses	9b	
c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c	
10 a	Gross sales of inventory, less returns and allowances	10a	
b	Less: cost of goods sold	10b	
c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c	
11	Other revenue (from Part VII, line 103)	11	
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	6,703,786.
13	Program services (from line 44, column (B))	13	
14	Management and general (from line 44, column (C))	14	
15	Fundraising (from line 44, column (D))	15	
16	Payments to affiliates (attach schedule)	16	
17	Total expenses. Add lines 16 and 44, column (A)	17	6,583,915.
18	Excess or (shortfall) for the year. Subtract line 17 from line 12	18	119,871.
19	Net assets or fund balances at beginning of year (from line 15, column (A))	19	397,033.
20	Other changes in net assets or fund balances (attach schedule)	20	0.
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	1,016,904.

S-14 For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

TAXPAYER COPY

600-702200736 8210

FILE COPY

- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box. Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8862.
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II. Additional (not automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print	Name of Exempt Organization AMERICAN JUSTICE PARTNERSHIP	Employer identification number 20-2222409
File by the extended due date for filing the return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1331 PENNSYLVANIA AVENUE, NW	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20004	

Check type of return to be filed (File a separate application for each return):

Form 990 Form 990-EZ Form 990-T (sec. 401(a) or 408(a) trust) Form 1041-A Form 5227 Form 8870
 Form 990-BL Form 990-PF Form 990-T (trust other than above) Form 4720 Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► **THE PARTNERSHIP**

Telephone No. ► **202-637-3000**

FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until **NOVEMBER 15, 2007**.
- For calendar year **2006**, or other tax year beginning , and ending .
- If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

- State in detail why you need the extension

ADDITIONAL TIME IS NEEDED TO GATHER THE NECESSARY ITEMS TO COMPLETE AN ACCURATE RETURN.

8a. If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b. If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made, include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c. Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$
		N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ► *Yolanda C. C. S.* Title ► **Senior Manager** Date ► **3-7-07**

Notice to Applicant. (To Be Completed by the IRS)

We have approved this application. Please attach this form to the organization's return.

We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.

We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.

We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.

Other _____

By:

Drexler

Alternate Mailing Address. Enter the address if you want the copy of this application for an automatic 3-month extension returned to an address different from the one entered above.

Name

AMERICAN JUSTICE & CO., LLC

Number and street address, including P.O. Box, if applicable

1331 PENNSYLVANIA AVENUE, NW, SUITE 300

City or town, county or state, and country (including postal or ZIP code)

WASHINGTON, DC 20004

70040100 00005074 4840
Application for Extension of Time To File an
Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box.
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form). Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only.

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization	Employer identification number
	AMERICAN JUSTICE PARTNERSHIP	20-2222409
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1331 PENNSYLVANIA AVENUE, NW	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20004	

Check type of return to be filed (file a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► **THE PARTNERSHIP**
Telephone No. ► **202-637-3000** FAX No. ►
- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension will cover.

- 1 I request an automatic 3-month (6-months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until **AUGUST 15, 2007** to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► calendar year **2006** or
► tax year beginning _____, and ending _____
- 2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. **3a \$**
- 3b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made, less any prior year overpayment allowed as a credit. **3b \$**
- 3c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with EFTS on or before the due date for filing EFTS. Electronic Federal Tax Payment System. **3c \$** **NYA**

Caution: If you or someone else has filed a return with the Internal Revenue Service (IRS) for Form 8868, file Form 8868 and Form 7004 on separate lines. If you file Form 8868 and Form 7004 on the same line, the IRS will not accept either return. For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 . noncash \$ 0 .)				
If this amount includes foreign grants, check here ► <input type="checkbox"/> 22a				
22b Other grants and allocations (attach schedule) (cash \$ 5,711,000 . noncash \$ 0 .)	5,711,000 .			
If this amount includes foreign grants, check here ► <input type="checkbox"/> 22b				
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	300,000 .		
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0 .		
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26			
27 Pension plan contributions not included on lines 25a, b, and c	27			
28 Employee benefits not included on lines 25a - 27	28			
29 Payroll taxes	29			
30 Professional fundraising fees	30	128,727 .		
31 Accounting fees	31	5,446 .		
32 Legal fees	32			
33 Supplies	33			
34 Telephone	34	2,196 .		
35 Postage and shipping	35	6,079 .		
36 Occupancy	36	3,600 .		
37 Equipment rental and maintenance	37			
38 Printing and publications	38	2,934 .		
39 Travel	39	45,539 .		
40 Conferences, conventions, and meetings	40	30,000 .		
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42	576 .		
43 Other expenses not covered above (itemize):				
a BANK AND PAYROLL FEES	43a	140 .		
b INSURANCE	43b	2,185 .		
c SERVICE FEES	43c	337,146 .		
d MISCELLANEOUS	43d	2,372 .		
e MEMBERSHIP FEES	43e	5,975 .		
f	43f			
g	43g			
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	6,583,915 .		

Joint Costs. Check ► if you are following FASB 132-2.Are any joint costs deductible as management and fundraising activities, listed in (B) Program services? ► Yes NoIf Yes, (i) the amount deductible as management and fundraising activities? ► N/A Yes(ii) the amount deductible as management and fundraising activities? ► N/A Yes(iii) the amount deducted to Management and general? ► N/A Yes(iv) the amount deducted to Fundraising? ► N/A Yes

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► **SEE STATEMENT 3**

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

a SEE STATEMENT 2

(Grants and allocations \$) If this amount includes foreign grants, check here ►

b

(Grants and allocations \$) If this amount includes foreign grants, check here ►

c

(Grants and allocations \$) If this amount includes foreign grants, check here ►

d

(Grants and allocations \$) If this amount includes foreign grants, check here ►

e Other program services (attach schedule)

(Grants and allocations \$) If this amount includes foreign grants, check here ►

f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
	45 Cash - non-interest-bearing	959,748.	45	240,767.
	46 Savings and temporary cash investments		46	732,667.
	47 a Accounts receivable	80,000.		
	b Less: allowance for doubtful accounts		47c	80,000.
	48 a Pledges receivable	48a		48c
	b Less: allowance for doubtful accounts	48b		
	49 Grants receivable			49
Assets	50 a Receivables from current and former officers, directors, trustees, and key employees		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)			50b
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges			53
	54 a Investments - publicly-traded securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a
	b Investments - other securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b		55c
	56 Investments - other			56
	57 a Land, buildings, and equipment: basis	57a 2,880.		
	b Less: accumulated depreciation	57b 864.	2,592.	57c 2,016.
	58 Other assets, including program-related investments (describe ►)			58
	59 Total assets (must equal line 74). Add lines 45 through 58	962,340.	59	1,055,450.
		65,307.	60	38,546.
Liabilities	60 Accounts payable and accrued expenses		61	
	61 Grants payable		62	
	62 Deferred revenue		63	
	63 Loans from officers, directors, trustees, and key employees		64a	
	64 a Tax-exempt bond liabilities		64b	
	b Mortgages and other notes payable		65	
	65 Other liabilities (describe ►)			
	66 Total liabilities. Add lines 60 through 65	65,307.	66	38,546.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	897,033.	67	1,016,904.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72.	397,033.	73	1,016,904.
	Condition (A) must equal line 10 and return (B) must equal line 21.			
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	962,340.	74	1,055,150.
				890,150.

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a Total revenue, gains, and other support per audited financial statements	a	6,703,786.
b Amounts included on line a but not on Part I, line 12:		
1 Net unrealized gains on investments	b1	
2 Donated services and use of facilities	b2	
3 Recoveries of prior year grants	b3	
4 Other (specify): Add lines b1 through b4	b4	
c Subtract line b from line a	b	0.
d Amounts included on Part I, line 12, but not on line a:		
1 Investment expenses not included on Part I, line 6b	d1	
2 Other (specify): Add lines d1 and d2	d2	
e Total revenue (Part I, line 12). Add lines c and d	d	0.
► b 6,703,786.	e	6,703,786.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a Total expenses and losses per audited financial statements	a	6,583,915.
b Amounts included on line a but not on Part I, line 17:		
1 Donated services and use of facilities	b1	
2 Prior year adjustments reported on Part I, line 20	b2	
3 Losses reported on Part I, line 20	b3	
4 Other (specify): Add lines b1 through b4	b4	
c Subtract line b from line a	b	0.
d Amounts included on Part I, line 17, but not on line a:		
1 Investment expenses not included on Part I, line 6b	d1	
2 Other (specify): Add lines d1 and d2	d2	
e Total expenses (Part I, line 17). Add lines c and d	d	0.
► e 6,583,915.	e	6,583,915.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
DAN PERO 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	PRESIDENT-CONSULTANT 1.00	300,000.	0.	0.
STEVE HANTLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	CHAIRMAN 1.00	0.	0.	0.
JOHN ENGLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.
LEANNE WILSON 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Officers, Directors, Trustees, and Key Employees (continued)		Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings	3	
75 b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)		X
75 c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." If "Yes," attach a statement that includes the information described in the instructions.		X
75 d	Does the organization have a written conflict of interest policy?		X

Part V-B: Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Compensation of Interest Policy 750

Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Part VI **Other Information** (See the instructions.)

		Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change		
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	76	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	77	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78a	X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	78b	
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	79	X
b	If "Yes," enter the name of the organization ► AJP FOUNDATION	80a	X
31 a	Enter direct programmatic expenditures. (See line 31 instructions.)	31a	1,045,000
b	Is the organization subject to Form 1120-POI for this year?	31b	X
			Form 990

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	X
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85a	X
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 b Gross receipts, included on line 12, for public use of club facilities	86a	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87a	N/A
87b	87b	N/A	
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ► N/A ; section 4912 ► N/A ; section 4955 ► N/A	89a	
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	89c	0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	89d	0
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed ► DC	90a	
b	Number of employees employed in the pay period that includes March 12, 2006	90b	0
91 a	The books are in care of ► THE PARTNERSHIP Located at ► 1331 PENNSYLVANIA AVENUE, NW, WASHINGTON, DC	91a	Telephone no. ► 202-637-3000 ZIP + 4 ► 20004
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ► N/A	91b	X
See the instructions for exceptions and filing requirements for Form 70-F 90-22.1, Report of Foreign Bank and Financial Accounts.			

Part VI Other Information (continued)

Yes	No
-----	----

c At any time during the calendar year, did the organization maintain an office outside of the United States?
If "Yes," enter the name of the foreign country ► **N/A**

91c

X

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ► **92** and enter the amount of tax-exempt interest received or accrued during the tax year ► **N/A**

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

93 Program service revenue:

- a
- b
- c
- d
- e

f Medicare/Medicaid payments

g Fees and contracts from government agencies

94 Membership dues and assessments

95 Interest on savings and temporary cash investments

96 Dividends and interest from securities

97 Net rental income or (loss) from real estate:

- a debt-financed property
- b not debt-financed property

98 Net rental income or (loss) from personal property

99 Other investment income

100 Gain or (loss) from sales of assets other than inventory

101 Net income or (loss) from special events

102 Gross profit or (loss) from sales of inventory

103 Other revenue:

- a
- b
- c
- d
- e

104 Subtotal (add columns (B), (D), and (E))

105 Total (add line 104, columns (B), (D), and (E))

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼ Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 9670 and Form 4720 (see instructions).

10-0690-1-00

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

N/A

Yes	No

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

Yes	No

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

Yes	No

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please
Sign
Here

► Signature of officer Date
► Type or print name and title

Paid Preparer's Use Only	Preparer's signature ► <i>Johnson, Lambert & Co., LLP</i>	Date 10/15/07	Check if self- employed ► <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ► JOHNSON LAMBERT & CO. LLP 3110 FAIRVIEW PARK DRIVE, SUITE 800 FALLS CHURCH, VA 22042		EIN ►	
			Phone no. ►	703-842-1115

Form 990 (2006)

Schedule B
(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2006

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Organization type (check one):

Fillers of:

Section:

Form 990 or 990-EZ

501(c)(6) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the **General Rule** and a **Special Rule**—see instructions.)

General Rule-

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the **General Rule** and/or the **Special Rules** do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Name of organization

AMERICAN JUSTICE PARTNERSHIP

Employer identification number

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	DEVON 20 N. BROADWAY OKLAHOMA CITY, OK 73102	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	GE PO BOX 60500 FORT MYERS, FL 33906-6500	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	HSBC 1501 FEEHANVILLE DR. MT. PROSPECT, IL 60056	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	PEPSI COMPANY 700 ANDERSON HILL ROAD PURCHASE, NY 10577	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	VERIZON PO BOX 1001 SAN ANGELO, TX 76902-1001	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	WEYERHAEUSER PO BOX 9769 FEDERAL WAY, WA 98063-9769	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

AMERICAN JUSTICE PARTNERSHIP

Employer identification number

20-2222409

Part I **Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	<u>AFLAC</u> <u>1932 WYNNTON ROAD</u> <u>COLUMBUS, GA 31999-0001</u>	\$ 50,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
8	<u>ALLSTATE INSURANCE</u> <u>2775 SANDERS ROAD</u> <u>NORTHBROOK, IL 60062</u>	\$ 50,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
9	<u>AT&T</u> <u>32 AVENUE OF THE AMERICAS</u> <u>NEW YORK, NY 10013</u>	\$ 250,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
10	<u>ATRA</u> <u>1101 CONNECTICUT AVE., NW</u> <u>WASHINGTON, DC 20036</u>	\$ 128,846.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
11	<u>BELL SOUTH</u> <u>PO BOX 77947</u> <u>ATLANTA, GA 30357-1947</u>	\$ 250,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
12	<u>CHRYSLER/ATRA</u> <u>1101 CONNECTICUT AVE., NW</u> <u>WASHINGTON, DC 20036</u>	\$ 250,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13	<u>NANCY LOUDON</u> <u>1101 CONNECTICUT AVE., NW</u> <u>WASHINGTON, DC 20036</u>	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
14	<u>DAIMLER CHRYSLER</u> <u>1000 CHRYSLER DRIVE</u> <u>AUBURN HILLS, MI 48326</u>	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
15	<u>FRAYDA & KEN LEVY</u> <u>33 CRYSTAL RD</u> <u>MOUNTAIN LAKE, NJ 07046</u>	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
16	<u>GLAXOSMITH KLINE</u> <u>1500 K STREET NW, SUITE 650</u> <u>WASHINGTON, DC 20005</u>	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
17	<u>HOME DEPOT</u> <u>PO BOX 105715</u> <u>ATLANTA, GA 30348-5715</u>	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
18	<u>KOCH INDUSTRIES</u> <u>4111 EAST 39TH ST NORTH</u> <u>WICHITA, KS 67220</u>	\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
			(Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	MARSH 3475 PIEDMONT RD, NE ATLANTA, GA 30305	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20	MASCO 21001 VAN BORN ROAD TAYLOR, MI 48180	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21	MASS MUTUAL 1295 STATE STREET B092 SPRINGFIELD, MA 01111-0002	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22	MERCK ONE MERCK DRIVE WHITE HOUSE STATION, NJ 08889-1200	\$ 125,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23	PHILLIP MORRIS PO BOX 26603 RICHMOND, VA 23261	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24	PHRMA 1100 145TH ST NW WASHINGTON, DC 20005-1707	\$ 300,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I **Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25	PUBLX SUPER MARKET PO BOX 407 LAKELAND, FL 33802	\$ 70,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
	(Complete Part II if there is a noncash contribution.)		
26	RACE INVESTMENTS PO BOX 86359 BATON ROUGE, LA 70879-6359	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
	(Complete Part II if there is a noncash contribution.)		
27	SOUTHERN COMPANY 241 RALPH MCGRILL BLVD, NE ATLANTA, GA 30308-3374	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
	(Complete Part II if there is a noncash contribution.)		
28	TAMAKO ROOFING PRODUCT PO BOX 1404 JOPLIN, MO 64802-1404	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
	(Complete Part II if there is a noncash contribution.)		
29	THE SCOTTS COMPANY 14111 SCOTSSLAWN RD MARYSVILLE, OH 43041	\$ 350,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
	(Complete Part II if there is a noncash contribution.)		
30	UNIVERSAL FOREST PRODUCT 1301 EAST BELLEVUE, NE GRAND RAPIDS, MI 49525	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>
	(Complete Part II if there is a noncash contribution.)		

Name of organization

AMERICAN JUSTICE PARTNERSHIP

Employer identification number

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
31	WALMART 702 S. W. 8TH ST BENTONVILLE, AR 72716	\$ 500,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)

(D) - Asset disposed

* ITC Section 179, Salvage, Bonus, Commercial Revitalization Deduction Zone

FORM 990

CASH GRANTS AND ALLOCATIONS
TO OTHERS

STATEMENT 1

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
SUB GRANT AWARD KANSAS CHAMBER OF COMMERCE 835 SW TOPEKA BLVD TOPEKA, KS 66612	12,500.
SUB GRANT AWARD FLORIDA JUSTICE REFORM 210 SOUTH MONROE STREET TALLAHASSEE, FL 32301	150,000.
SUB GRANT AWARD AMERICAN TORT REFORM ASSOCIATION 1101 CONNECTICUT AVENUE, NW WASHINGTON, DC 20036	375,000.
SUB GRANT AWARD WMC ISSUE MOBILIZATION 501 E. WASHINGTON AVE. MADISON, WI 53703	600,000.
SUB GRANT AWARD ALABAMA CIVIL JUSTICE REFORM P.O. BOX 240757 MONTGOMERY, AL 36124	425,000.
SUB GRANT AWARD BIPAC 888 16TH STREET, NW, SUITE 305 WASHINGTON, DC 20006	25,000.
SUB GRANT AWARD BIPEC P.O. BOX 23021 JACKSON, MS 39225	150,000.
SUB GRANT AWARD NEW MEXICO ALLIANCE FOR LEGAL REFORM P.O. BOX 7576 ALBUQUERQUE, NM 87914	15,000.
SUB GRANT AWARD ACJRC P.O. BOX 240757 MONTGOMERY, AL 36124	10,000.

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SUB GRANT AWARD JUSTPAC 436 SOUTH BELMONT AV ARLINGTON HEIGHTS, IL 60005	120,000.
SUB GRANT AWARD MICHIGAN CHAMBER OF COMMERCE 600 SOUTH WALNUT ST LANSING, MI 48933	600,000.
SUB GRANT AWARD AMERICAN TIRED OF LAWSUIT ABUSE P.O. BOX 30223 ALEXANDRIA, VA 22310	300,000.
SUB GRANT AWARD PARTNERSHIP OF FLORIDA'S FUTURE P.O. BOX 11309 TALLAHASSEE, FL 32302	50,000.
SUB GRANT AWARD REPUBLICAN STATE LEADERSHIP COMMITTEE 1400 K STREET, NW, SUITE 450 WASHINGTON, DC 20005	250,000.
SUB GRANT AWARD NO ON E COMMITTEE P.O. BOX 814 PIERRE, SD 57501	280,000.
SUB GRANT AWARD SAFETY AND PROSPERITY COALITION MARIETTA, GA	1,350,000.
SUB GRANT AWARD JACK ROBERTS FOR OREGON SUPREME COURT P.O. BOX 12911 SALEM, OR 97309	300,000.
SUB GRANT AWARD ILLINOIS CHAMBER 215 EAST ADAMS SPRINGFIELD, IL 62701	100,000.
SUB GRANT AWARD CITIZENS FOR MCGLYNN 10304 LINCOLN TRAIL, SUITE 2, P.O. BOX 4444 FAIRVIEW HEIGHTS, IL 62208	275,000.

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SUB GRANT AWARD
TENCAPITOL
13454 SUNRISE VALLEY DR, SUITE 100
HERNDON, VA 20171

50,000.

SUB GRANT AWARD
KENTUCKY CIVIL JUSTICE
229 SHELBY STREET
FRANKFORT, KY 40601

33,500.

SUB GRANT AWARD
ALABA
P.O. BOX 427
MONTGOMERY, AL 36101

10,000.

SUB GRANT AWARD
ALABAMA ENGINEERS
660 ADAMS AVENUE, SUITE 333
MONTGOMERY, AL 35205

10,000.

SUB GRANT AWARD
ALABIZ
2101 HIGHLAND AVENUE, SUITE 420
BIRMINGHAM, AL 35205

10,000.

SUB GRANT AWARD
BES
2101 HIGHLAND AVENUE, SUITE 420
BIRMINGHAM, AL 35205

10,000.

SUB GRANT AWARD
BIZ
P.O. BOX 230035
MONTGOMERY, AL 36123

10,000.

SUB GRANT AWARD
COMMUNITY ALLIANCE
P.O. BOX 1401
MONTGOMERY, AL 36102

10,000.

SUB GRANT AWARD
COMP
P.O. BOX 240549
MONTGOMERY, AL 36117

10,000.

SUB GRANT AWARD
CRA
P.O. BOX 230035
MONTGOMERY, AL 36123

10,000.

AMERICAN JUSTICE PARTNERSHIP

20-2222409

SUB GRANT AWARD FAIR P.O. BOX 230035 MONTGOMERY, AL 36123	10,000.
SUB GRANT AWARD FIRST DECADE P.O. BOX 230035 MONTGOMERY, AL 36123	10,000.
SUB GRANT AWARD FREE ENTERPRISE P.O. BOX 230035 MONTGOMERY, AL 36123	10,000.
SUB GRANT AWARD HIGHLAND 2101 HIGHLAND AVENUE, SUITE 420 BIRMINGHAM, AL 35205	10,000.
SUB GRANT AWARD HORIZON 2101 HIGHLAND AVENUE, SUITE 420 BIRMINGHAM, AL 35205	10,000.
SUB GRANT AWARD LAWSUIT REFORM PAC OF AL P.O. BOX 230821 MONTGOMERY, AL 36123	10,000.
SUB GRANT AWARD MAINSTREAM P.O. BOX 230035 MONTGOMERY, AL 36123	10,000.
SUB GRANT AWARD MERIT 1830 28TH AVENUE SOUTH BIRMINGHAM, AL 35209	10,000.
SUB GRANT AWARD PRO BUSINESS P.O. BOX 230821 MONTGOMERY, AL 36123	10,000.
SUB GRANT AWARD PROGRESS 2 NORTH JACKSON STREET MONTGOMERY, AL 36123	10,000.

AMERICAN JUSTICE PARTNERSHIP

20-2222409

SUB GRANT AWARD
RETAILERS OF ALABAMA
P.O. BOX 240669
MONTGOMERY, AL 36124
10,000.

SUB GRANT AWARD
SAW
7618 WYNLAKES BLVD
MONTGOMERY, AL 36117
10,000.

SUB GRANT AWARD
SAFETY NET
P.O. BOX 1401
MONTGOMERY, AL 36102
10,000.

SUB GRANT AWARD
SCHCA
P.O. BOX 1401
MONTGOMERY, AL 36102
10,000.

SUB GRANT AWARD
TRAUMA CARE
P.O. BOX 1401
MONTGOMERY, AL 36102
10,000.

SUB GRANT AWARD
V-PAC
2101 HIGHLAND AVENUE, SUITE 420
BIRMINGHAM, AL 35205
10,000.

TOTAL INCLUDED ON FORM 990, PART II, LINE 22B

5,711,000.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT

2

DESCRIPTION OF PROGRAM SERVICE ONE

EACH ACTIVITY THAT WE SUPPORT MUST MEET ONE OF THE THREE GOALS OF THE AJP. OUR SUPPORT OF LEGISLATIVE INITIATIVES IN SEVERAL STATES HELPED LEAD TO VARYING DEGREES OF REFORM. OUR SUPPORT OF PARTNER EDUCATION EFFORTS TO ADVOCATE FOR PRO-REFORM CANDIDATES FOR PUBLIC OFFICE WAS SUCCESSFUL IN THE SUPPORT BY THE PUBLIC OF MANY PRO-REFORM CANDIDATES COMMITTED TO LEGAL REFORM AGENDAS.

TO FORM 990, PART III, LINE A

GRANTS

EXPENSES

 FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 3
 PART III

EXPLANATION

THE AJP HAS THREE GOALS: 1) TO ENHANCE PUBLIC UNDERSTANDING ABOUT THE IMPORTANCE OF LEGAL REFORM AND THE NEED TO BECOME POLITICALLY INVOLVED; 2) WORK TO ENACT LEGISLATION AND ADOPT COURT RULES IN THE STATES TO SUBSTANTIALLY REDUCE THE PERVERSE INCENTIVES FOR JUNK LAWSUITS THAT ARE HURTING AMERICAN BUSINESSES AND CONSUMERS WHILE MAINLY BENEFITING THE TRIAL LAWYERS; 3) CREATE A CLIMATE, STATE BY STATE, IN WHICH PRO-REFORM CANDIDATES FOR GOVERNOR, THE STATE LEGISLATURE, SUPREME COURT AND LOWER COURTS, AND ATTORNEY GENERAL ARE SUPPORTED BY THE PUBLIC.

 FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 4

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
EQUIPMENT	2,880.	864.	2,016.
TOTAL TO FORM 990, PART IV, LN 57	2,880.	864.	2,016.

Form 990Department of the Treasury
Internal Revenue Service

** PUBLIC DISCLOSURE COPY **

Return of Organization Exempt From Income TaxUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2007Open to Public
Inspection**A For the 2007 calendar year, or tax year beginning****and ending**

B Check if applicable:	C Name of organization AMERICAN JUSTICE PARTNERSHIP	D Employer identification number 20-2222409
<input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions. Number and street (or P.O. box if mail is not delivered to street address) 1331 PENNSYLVANIA AVENUE, NW	E Room/suite 202-637-3000
	F City or town, state or country, and ZIP + 4 WASHINGTON, DC 20004	G Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ►

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Website: ► **WWW.AMERICANJUSTICEPARTNERSHIP.ORG****J Organization type** (check only one) ► 501(c) (6) (Insert no.) 4947(a)(1) or 527**K** Check here ► if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**H** and I are not applicable to section 527 organizations.**H(a)** Is this a group return for affiliates? Yes No**H(b)** If "Yes," enter number of affiliates ► **N/A****H(c)** Are all affiliates included? **N/A** Yes No
(If "No," attach a list.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? Yes No**I** Group Exemption Number ► **N/A****M** Check ► if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► **3,591,946.****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

Revenue	1 Contributions, gifts, grants, and similar amounts received:	
	a Contributions to donor advised funds	1a
	b Direct public support (not included on line 1a)	1b 3,528,426.
	c Indirect public support (not included on line 1a)	1c
	d Government contributions (grants) (not included on line 1a)	1d
	e Total (add lines 1a through 1d) (cash \$ 3,528,426. noncash \$)	1e 3,528,426.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2
	3 Membership dues and assessments	3
	4 Interest on savings and temporary cash investments	4 63,520.
	5 Dividends and interest from securities	5
	6 a Gross rents	6a
	b Less: rental expenses	6b
	c Net rental income or (loss). Subtract line 6b from line 6a	6c
	7 Other investment income (describe ►)	7
	8 a Gross amount from sales of assets other than inventory	(A) Securities
	b Less: cost or other basis and sales expenses	(B) Other
	c Gain or (loss) (attach schedule)	8a
	d Net gain or (loss). Combine line 8c, columns (A) and (B)	8b
	9 Special events and activities (attach schedule). If any amount is from gambling, check here ► <input type="checkbox"/>	8c
	a Gross revenue (not including \$ 3,528,426. of contributions reported on line 1b) ...	9a
	b Less: direct expenses other than fundraising expenses	9b
	c Net income or (loss) from special events. Subtract line 9b from line 9a	9c
	10 a Gross sales of inventory, less returns and allowances	10a
	b Less: cost of goods sold	10b
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c
	11 Other revenue (from Part VII, line 103)	11
	12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12 3,591,946.
Expenses	13 Program services (from line 44, column (B))	13
	14 Management and general (from line 44, column (C))	14
	15 Fundraising (from line 44, column (D))	15
	16 Payments to affiliates (attach schedule)	16
	17 Total expenses. Add lines 16 and 44, column (A)	17 3,221,666.
	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18 370,280.
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19 1,016,904.
	20 Other changes in net assets or fund balances (attach explanation)	20 0.
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21 1,387,184.

723001

12-27-07 LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2007)

TAXPAYER'S COPY

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box ►

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

Part II: Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print	Name of Exempt Organization AMERICAN JUSTICE PARTNERSHIP	Employer identification number 20-2222409
File by the extended due date for filing the return. See Instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1331 PENNSYLVANIA AVENUE, NW	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see Instructions. WASHINGTON, DC 20004	

Check type of return to be filed (File a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 6069	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► **THE PARTNERSHIP**

Telephone No. ► **202-637-3000** FAX No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until **NOVEMBER 15, 2008**.
- For calendar year **2007**, or other tax year beginning _____, and ending _____.
- If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- State in detail why you need the extension

ADDITIONAL TIME NEEDED TO FILE A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See Instructions.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See Instructions.	8c	\$
			N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ►

Title ►

Date ►

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ►
- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ►

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization AMERICAN JUSTICE PARTNERSHIP	Employer identification number 20-2222409
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1331 PENNSYLVANIA AVENUE, NW	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20004	

Check type of return to be filed (file a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► **THE PARTNERSHIP**

Telephone No. ► **202-637-3000** FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2008**, to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

► calendar year **2007** or
► tax year beginning and ending

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$ <input type="text"/>
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$ <input type="text"/>
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$ <input type="text"/> N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868 (Rev. 3-2008)

Part II Statement of Functional Expenses		All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.			
		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.					
22a	Grants paid from donor advised funds (attach schedule) (cash \$ 0 + noncash \$ 0.)				
	If this amount includes foreign grants, check here ► <input type="checkbox"/>	22a			
22b	Other grants and allocations (attach schedule) (cash \$ 2378000 + noncash \$ 0.)				
	If this amount includes foreign grants, check here ► <input type="checkbox"/>	22b	2,378,000.		
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	334,992.		
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0.		
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c			
26	Salaries and wages of employees not included on lines 25a, b, and c	26			
27	Pension plan contributions not included on lines 25a, b, and c	27			
28	Employee benefits not included on lines 25a - 27	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30	154,331.		
31	Accounting fees	31	11,223.		
32	Legal fees	32	76,330.		
33	Supplies	33			
34	Telephone	34	2,179.		
35	Postage and shipping	35	934.		
36	Occupancy	36	3,600.		
37	Equipment rental and maintenance	37			
38	Printing and publications	38	250.		
39	Travel	39	79,041.		
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42	576.		
43	Other expenses not covered above (itemize):				
a	<u>BANK AND PAYROLL FEES</u>	43a	20.		
b	<u>INSURANCE</u>	43b	4,490.		
c	<u>MISCELLANEOUS</u>	43c	67,135.		
d	<u>MEMBERSHIP FEES</u>	43d	8,050.		
e	<u>CONSULTING FEES</u>	43e	100,515.		
f		43f			
g		43g			
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	3,221,666.		

Joint Costs. Check ► if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ► Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;

(iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 3	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a SEE STATEMENT 2	
<hr/> <hr/> <hr/> <hr/>	
(Grants and allocations \$)	If this amount includes foreign grants, check here ► <input type="checkbox"/>
b	
<hr/> <hr/> <hr/> <hr/>	
(Grants and allocations \$)	If this amount includes foreign grants, check here ► <input type="checkbox"/>
c	
<hr/> <hr/> <hr/> <hr/>	
(Grants and allocations \$)	If this amount includes foreign grants, check here ► <input type="checkbox"/>
d	
<hr/> <hr/> <hr/> <hr/>	
(Grants and allocations \$)	If this amount includes foreign grants, check here ► <input type="checkbox"/>
e Other program services (attach schedule)	
(Grants and allocations \$)	If this amount includes foreign grants, check here ► <input type="checkbox"/>
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	► <input type="checkbox"/>

Form 990 (2007)

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			(A) Beginning of year		(B) End of year
	45 Cash - non-interest-bearing		240,767.	45	191,330.
	46 Savings and temporary cash investments		732,667.	46	1,453,123.
	47 a Accounts receivable	47a			
	b Less: allowance for doubtful accounts	47b			
			80,000.	47c	
	48 a Pledges receivable	48a			
	b Less: allowance for doubtful accounts	48b			
	49 Grants receivable				49
	50 a Receivables from current and former officers, directors, trustees, and key employees				50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				50b
	51 a Other notes and loans receivable	51a			51c
	b Less: allowance for doubtful accounts	51b			
	52 Inventories for sale or use				52
	53 Prepaid expenses and deferred charges				53
	54 a Investments - publicly-traded securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54a
	b Investments - other securities	► <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b
	55 a Investments - land, buildings, and equipment: basis	55a			
	b Less: accumulated depreciation	55b			55c
	56 Investments - other				56
	57 a Land, buildings, and equipment: basis	57a	2,880.		
	b Less: accumulated depreciation STMT 4	57b	1,440.	2,016.	1,440.
	58 Other assets, including program-related investments (describe ►)				58
	59 Total assets (must equal line 74). Add lines 45 through 58		1,055,450.	59	1,646,757.
	60 Accounts payable and accrued expenses		38,546.	60	9,573.
	61 Grants payable				61
	62 Deferred revenue				62
	63 Loans from officers, directors, trustees, and key employees				63
	64 a Tax-exempt bond liabilities				64a
	b Mortgages and other notes payable				64b
	65 Other liabilities (describe ► DUE TO AJP FOUNDATION)		0.	65	250,000.
	66 Total liabilities. Add lines 60 through 65		38,546.	66	259,573.
	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted		1,016,904.	67	1,387,184.
	68 Temporarily restricted			68	
	69 Permanently restricted			69	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds			70	
	71 Paid-in or capital surplus, or land, building, and equipment fund			71	
	72 Retained earnings, endowment, accumulated income, or other funds			72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		1,016,904.	73	1,387,184.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73		1,055,450.	74	1,646,757.

Form 990 (2007)

(Instructions.)

a Total revenue, gains, and other support per audited financial statements	a	3,591,946.
b Amounts included on line a but not on Part I, line 12:		
1 Net unrealized gains on investments	b1	
2 Donated services and use of facilities	b2	
3 Recoveries of prior year grants	b3	
4 Other (specify): Add lines b1 through b4	b4	
c Subtract line b from line a		b 0.
d Amounts included on Part I, line 12, but not on line a:		
1 Investment expenses not included on Part I, line 6b	d1	
2 Other (specify): Add lines d1 and d2	d2	
e Total revenue (Part I, line 12). Add lines c and d		d 0.
	e	3,591,946.
Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
a Total expenses and losses per audited financial statements	a	3,221,666.
b Amounts included on line a but not on Part I, line 17:		
1 Donated services and use of facilities	b1	
2 Prior year adjustments reported on Part I, line 20	b2	
3 Losses reported on Part I, line 20	b3	
4 Other (specify): Add lines b1 through b4	b4	
c Subtract line b from line a		b 0.
d Amounts included on Part I, line 17, but not on line a:		
1 Investment expenses not included on Part I, line 6b	d1	
2 Other (specify): Add lines d1 and d2	d2	
e Total expenses (Part I, line 17). Add lines c and d		d 0.
	e	3,221,666.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the Instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
DAN PERO 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	PRESIDENT-CONSULTANT 1.00	334,992.	0.	0.
STEVE HANTLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	CHAIRMAN 1.00	0.	0.	0.
JOHN ENGLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.
LEANNE WILSON 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.

Form 990 (2007)

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)			YES	NO
75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings	►	3		
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)		75b		X
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of 'related organization.'		75c		X
d If "Yes," attach a statement that includes the information described in the Instructions.		75d		X
d Does the organization have a written conflict of interest policy?				

Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Part VI Other Information (See the instructions.)

78	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	78	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization ► AJP FOUNDATION		
81 a	Enter direct and indirect political expenditures. (See line 81 instructions.)	and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt	81a 219,000.
b	Did the organization file Form 1120-POL for this year?	81b	X

and check whether it is exempt or nonexempt

81 a Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 219-000-000

b. Did the organization file Form 1120-POL for this year?

Form 990 (2007)

Part VI Other Information (continued)

		Yes	No
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A	
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	83b	X	
84 a Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	X	
85 a 501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	85a	X	
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	X	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c Dues, assessments, and similar amounts from members	85c	N/A	
d Section 162(e) lobbying and political expenditures	85d	N/A	
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A	
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A	
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A	
86 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A	
b Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87 501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A	
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A	
88 a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a		X
b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b		X
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under section 4911 ► N/A ; section 4912 ► N/A ; section 4955 ► N/A	89a		
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ► 0.	89c	0.	
d Enter: Amount of tax on line 89c, above, reimbursed by the organization	89d	0.	
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		
f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		
g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		X
90 a List the states with which a copy of this return is filed ► DC	90b	0	
b Number of employees employed in the pay period that includes March 12, 2007	90b	0	
91 a The books are in care of ► THE PARTNERSHIP Located at ► 1331 PENNSYLVANIA AVENUE, NW, WASHINGTON, DC	Telephone no. ► 202-637-3000 ZIP + 4 ► 20004		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ► N/A	91b		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

Part VI Other Information (continued)

At any time during the calendar year, did the organization maintain an office outside of the United States? Yes No
 If "Yes," enter the name of the foreign country ► **N/A**

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ► **92** **N/A**

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514	(E) Related or exempt function income
		(A) Business code	(B) Amount	(C) Exclusion code	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments				14	63,520.
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))			0.		63,520.
105 Total (add line 104, columns (B), (D), and (E))					63,520.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13). **N/A**

Yes	No
-----	----

108 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

Yes	No
-----	----

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

Yes	No
-----	----

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please
Sign
Here

► Signature of officer

Date

► Type or print name and title

Paid
Preparer's
Use Only

Preparer's
signature

JOHNSON LAMBERT & CO-LLP
700 SPRING FOREST ROAD, STE 335
RALEIGH, NC 27609

Date

8/21/08

Check if
self-
employed



Preparer's SSN or PTIN (See Gen. Inst. X)

000544178

EIN ► 52-1440774

Phone no. ► 919-719-6400

Form 990 (2007)

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

OMB No. 1545-0047

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)**2007**

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP**20-2222409**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ 501(c)(6) (enter number) organization 4947(a)(1) nonexempt charitable trust not treated as a private foundation 527 political organizationForm 990-PF 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the **General Rule** and a **Special Rule**-see instructions.)**General Rule-**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the **General Rule** and/or the **Special Rules** do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I **Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 250,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
2		\$ 250,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
3		\$ 30,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
4		\$ 500,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
5		\$ 250,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
6		\$ 25,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)

Name of organization

AMERICAN JUSTICE PARTNERSHIP

Employer identification number

20-2222409

Part I: Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7		\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8		\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9		\$ 125,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10		\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11		\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I: Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13		\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16		\$ 33,426.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18		\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

AMERICAN JUSTICE PARTNERSHIP

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20		\$ 150,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23		\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

AMERICAN JUSTICE PARTNERSHIP

Employer identification number

20-2222409

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25		\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

728.00
04-27-07

(D) - Asset disposed

- ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

FORM 990

CASH GRANTS AND ALLOCATIONS
TO OTHERS

STATEMENT 1

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
SUB GRANT AWARD TEXAS CIVIL JUSTICE LEAGUE 401 W. 15TH STREET, SUITE 975 AUSTIN, TX 78701	150,000.
SUB GRANT AWARD OKLAHOMA CHAMBER OF COMMERCE 330 N.E. 10TH STREET OKLAHOMA CITY, OK 73104	35,000.
SUB GRANT AWARD FLORIDA JUSTICE REFORM GROUP 210 SOUTH MONROE STREET TALLAHASSEE, FL 32301	5,000.
SUB GRANT AWARD AMERICAN TORT REFORM ASSOCIATION 1101 CONNECTICUT AVENUE, NW WASHINGTON, DC 20036	325,000.
SUB GRANT AWARD WMC ISSUES MOBILIZATION COUNCIL P.O. BOX 352 MADISON, WI 53701	500,000.
SUB GRANT AWARD IMPAC 825 NORTH PRESIDENT STREET JACKSON, MS 39202	19,000.
SUB GRANT AWARD STATE GOVERNMENT LEADERSHIP FUND 1400 K STREET, NW, SUITE 450 WASHINGTON, DC 20005	150,000.
SUB GRANT AWARD LA COMMITTEE FOR A REPUBLICAN MAJORITY PAC P.O. BOX 898 GONZALES, LA 70707	100,000.
SUB GRANT AWARD LOUISIANIANS UNITED FOR REFORM PAC P.O. BOX 1586 BATON ROUGE, LA 70821	100,000.

STATEMENT(S) 1

AMERICAN JUSTICE PARTNERSHIP

20-2222409

SUB GRANT AWARD
BUSINESS & INDUSTRY COALITION
P.O. BOX 12586
COLUMBIA, SC 29211

125,000.

SUB GRANT AWARD
MICHIGAN CHAMBER OF COMMERCE
600 SOUTH WALNUT ST
LANSING, MI 48933

89,000.

SUB GRANT AWARD
AMERICAN TIRED OF LAWSUIT ABUSE
P.O. BOX 30223
ALEXANDRIA, VA 22310

45,000.

SUB GRANT AWARD
REPUBLICAN STATE LEADERSHIP COMMITTEE
1400 K STREET, NW, SUITE 450
WASHINGTON, DC 20005

735,000.

TOTAL INCLUDED ON FORM 990, PART II, LINE 22B

2,378,000.

AMERICAN JUSTICE PARTNERSHIP

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT

2

DESCRIPTION OF PROGRAM SERVICE ONE

EACH ACTIVITY THAT WE SUPPORT MUST MEET ONE OF THE THREE GOALS OF THE AJP. OUR SUPPORT OF LEGISLATIVE INITIATIVES IN SEVERAL STATES HELPED LEAD TO VARYING DEGREES OF REFORM. OUR SUPPORT OF PARTNER EDUCATION EFFORTS TO ADVOCATE FOR PRO-REFORM CANDIDATES FOR PUBLIC OFFICE WAS SUCCESSFUL IN THE SUPPORT BY THE PUBLIC OF MANY PRO-REFORM CANDIDATES COMMITTED TO LEGAL REFORM AGENDAS.

TO FORM 990, PART III, LINE A

GRANTS

EXPENSES

FORM 990

STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE

STATEMENT

3

PART III

EXPLANATION

THE AJP HAS THREE GOALS: 1) TO ENHANCE PUBLIC UNDERSTANDING ABOUT THE IMPORTANCE OF LEGAL REFORM AND THE NEED TO BECOME POLITICALLY INVOLVED; 2) WORK TO ENACT LEGISLATION AND ADOPT COURT RULES IN THE STATES TO SUBSTANTIALLY REDUCE THE PERVERSE INCENTIVES FOR JUNK LAWSUITS THAT ARE HURTING AMERICAN BUSINESSES AND CONSUMERS WHILE MAINLY BENEFITING THE TRIAL LAWYERS; 3) CREATE A CLIMATE, STATE BY STATE, IN WHICH PRO-REFORM CANDIDATES FOR GOVERNOR, THE STATE LEGISLATURE, SUPREME COURT AND LOWER COURTS, AND ATTORNEY GENERAL ARE SUPPORTED BY THE PUBLIC.

FORM 990

DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT

STATEMENT

4

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
EQUIPMENT	2,880.	1,440.	1,440.
TOTAL TO FORM 990, PART IV, LN 57	2,880.	1,440.	1,440.

STATEMENT(S) 2, 3, 4

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part II, Question 3(a) – Names and Addresses of Officers & Directors

Officers:

Dan Pero
President
4900 Massachusetts Avenue, NW
Suite 220
Washington, DC 20016-4358

Robert Olshan
Treasurer
4900 Massachusetts Avenue, NW
Suite 220
Washington, DC 20016-4358

Cleta Mitchell, Esq.
Secretary
3000 K Street NW, Sixth Floor
Washington, DC 20007

Directors:

Dan Pero
4900 Massachusetts Avenue, NW
Suite 220
Washington, DC 20016-4358

Richard McClellan
4900 Massachusetts Avenue, NW
Suite 220
Washington, DC 20016-4358

Clifford W. Taylor
4900 Massachusetts Avenue, NW
Suite 220
Washington, DC 20016-4358

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part II, Question 3(b) – Annual Compensation of Officers & Directors

AJP's directors are not compensated for their membership on the Board of Directors.

Cleta Mitchell serves as both Secretary and legal counsel to the Corporation. In those capacities, the law firm in which she is a partner, Foley & Lardner LLP, is compensated for services provided to the Corporation, paid at an hourly rate for time spent on the Corporation's behalf. The present rate is \$660 per hour.

Dan Pero serves as both President, consultant and a member of the Board of Directors of the Corporation. In his capacity as a consultant to the organization, Mr. Pero is compensated by Pero Consulting, Inc. for services provided to the Corporation, in accordance with the terms of a consulting agreement approved by the Board of Directors. The current consulting agreement between AJP and Pero Consulting, Inc. provides for a contract payment of \$27,916 per month (\$334,992 per year), commencing on February 15, 2008.

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part II, Question 8 – Distribution of Assets upon Dissolution

Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c) of the Code (or the corresponding section of any future federal tax code), in a manner consistent with the purposes for which the Corporation is organized, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

AMERICAN JUSTICE PARTNERSHIP
ATTACHMENT TO IRS FORM 1024
EIN: 20-2222409

Part II, Question 16 – Publications of the Organization

1. Website excerpts
2. Legal Reform Mid-Year Update [July 10, 2009]
3. "Tipping the Scales for Legal Reform"

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2008: Saw enactment of a uniform system for the elimination of "junk science" and non-expert witnesses from the courtroom. These reforms were a direct result of the 2007 gains made in the legislative elections.

[See more successes](#)



Louisiana



TIPPING THE SCALES FOR LEGAL REFORM

The American Justice Partnership is a hard-charging legal reform group that stands up to greedy trial lawyers. We expose their outrageous practices and coercive lawsuits that can cost consumers billions of dollars and force employers to cut jobs. AJP is light of foot, quick to act and ready to engage in the toughest legal reform battles wherever they occur. We understand a broken legal system can cripple our economy and we're determined to stand up for justice.

LAWSUIT COUNTER

Estimated number of lawsuits filed in the US to date this year:

9 , 5 6 7 , 8 9 4

In 2006, NCSC reported that a new lawsuit is filed every two seconds.



Sharp Elbows. Strong Ideas. Big Results.

Good ideas alone won't fix our broken legal system. It takes our results oriented programs and willingness to play hardball against the trial bar. [MORE](#)

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[CEO ALARM](#)

Who We Are

The American Justice Partnership is a national organization dedicated to winning legal reform in the states. AJP is run by campaign professionals who achieve results in battles that can deliver a meaningful return on investment. AJP typically enacts programs in partnership with a network of over 60 state and national partners.

What We Do

AJP designs, funds and implements high-impact campaigns to achieve legal reform at the state level. AJP deploys dynamic political programs at critical junctures in support of legislative objectives and legal reform advocates seeking offices like state legislature, attorney general and supreme court.

Why We Partner

We collaborate with any number of over 60 state or national partners on each project. AJP partnerships leverage the best of local knowledge and national expertise into one-of-a-kind campaigns that deliver impact and strengthen local partners while avoiding the mistakes that typify some out-of-state efforts.

How We Win

AJP has nearly a decade of experience in beating the trial bar on major issues. They engage every fight, big or small, with a take-no-prisoners approach. We know their methods and how to fight back. We play to win.

In A Nutshell, We Play Hardball:

- When our help can tip the balance.
- In states where major legal reform legislation is at stake.
- Where the trial bar, unions and other liberal opponents of legal reform engage in elections for the state legislature, attorney general and supreme court.
- Where we have credible local organizations as our partners.

It is this combination of experience, approach and targeting that allows AJP to succeed in achieving legal reform at the state level.



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Setting A Standard

America's legal system is a maze of contradictory rules that differ in nearly every state. Businesses may face a predictable and reasonable system in one state but unfairness and uncertainty in another.

This uncertainty hinders job creation, increases costs for consumers and makes it harder to earn a fair profit. The current system hurts workers, employers, consumers and even legitimate victims. The only winners are predatory trial lawyers who manipulate the system to their own personal ends. AJP is fighting that.

Mission

The American Justice Partnership works to improve the fairness and predictability of the legal environment at the state level.

Achieving our goals

- AJP creates an environment in which legal reform champions can be elected to high offices like governor, legislature, attorney general and state supreme court.
- AJP enacts and protects state legislation that increases fairness and predictability often resulting in more reasonable litigation costs and awards and an improved jobs environment by limiting the abusive lawsuits brought by the trial bar.
- AJP fights lawsuit abuse and jackpot justice by opposing bad laws, bad judges and bad lawyers.

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[THE STATES](#) [PARTNERS IN ACTION](#)

AJP devotes resources where we can make the **biggest impact**. We are proud to have helped achieve scores of state level reforms since 2004. Take a look at a few of those successes to which we lent our support.

Roll over and click the states to find out more about our state partners and successes.



Our National Partners

American Association of Managing General Agents	Visit Website
American Enterprise Institute Liability Project	Visit Website
American Legislative Exchange Council	Visit Website
American Tort Reform Association	Visit Website
Center for Individual Freedom	Visit Website
Center for Legal Policy, The Manhattan Institute	Visit Website
Class Action Watch	Visit Website
Competitive Enterprise Institute	Visit Website
Council for Citizens Against Government Waste	Visit Website
Doctors for Medical Liability Reform	Visit Website
Federalist Society	Visit Website
Heritage Foundation	Visit Website
Lawsuit Abuse Reform Coalition	Visit Website
Lawyers for Civil Justice	Visit Website
Manufacturers Alliance/MAP	Visit Website
NAM Fair Litigation Action Group	Visit Website
Overlawyered.com	Visit Website
Pacific Research Institute	Visit Website
Point of Law, The Manhattan Institute	Visit Website
Politically Active Physicians Association	Visit Website
Washington Legal Foundation	Visit Website



ABOUT

MISSION

SUCCESSES

THE AJP DIFFERENCE

LEADERSHIP

CEO ALARM

AJP is unique among the leading legal reform organizations.



Transparency Rules

AJP welcomes active engagement from supporters and partners. We not only regularly seek their input, but we act on it. They help us identify priority projects that can improve the bottom line of fixing broken courts.

Winning Campaign Professionals

AJP is run by senior campaign professionals with decades of experience in high stakes winner-take-all battles. They have run campaigns for president, governor, senate, state supreme court and dozens of high profile issue efforts. AJP delivers a meaningful return on investment with clearly defined metrics.

Dollars And Sense

AJP is an extremely low overhead operation that is free of expensive bureaucracy, with limited bricks and mortar. We put resources into high impact programs in the states where they can do the most good. Every AJP initiative is based on promotion and protecting legal reform policies and policy makers. We focus on legal reform and legal reform only.

Giving Partnership A Good Name

The AJP partnership model has succeeded because we can quickly fill the gaps that often undermine efforts against a dynamic opponent like the trial bar. We have no pride of authorship. When it makes sense, we take the lead; when it doesn't, we provide critical support. We excel at assessing each opportunity to find the right approach.

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AJP Leadership

Recognizing the glaring need for an organized effort to support legal reform efforts at the state level, Home Depot co-founder Bernie Marcus, former Governor John Engler and nationally recognized legal reform leader Steve Hantler founded AJP. Each brought a unique perspective to AJP allowing them to see the flaws of the legal system and where it needed to be corrected.

Current AJP President Dan Pero brings over 30 years of political and policy experience to the cause. His team of battle tested communication and campaign experts has a proven record of success in going toe-to-toe with the trial bar.



Dan Pero

President, American Justice Partnership

Dan Pero is President of the American Justice Partnership, a nationwide coalition to advocate for legal reform at the state level. Mr. Pero is a leading expert in political campaigns and issues management with more than 30 years experience in state government, grassroots organizing, communications and public affairs and was named Michigan's best Republican political consultant of the past 50 years by the Michigan Political History Society.

In 2004, he was executive director of the highly successful state legal reform effort that has since become the American Justice Partnership, an affiliate of the National Manufacturers Association.

Mr. Pero served as Chief of Staff and Campaign Manager for former three-term Michigan Governor John Engler. The legal reform successes achieved in Michigan are widely viewed as the definitive model for legal reform at the state level.

Mr. Pero managed the 1996 presidential campaign for former Tennessee Governor Lamar Alexander and served as a strategist, media producer and consultant to candidates for President of the United States, U.S. Senate and House of Representatives and for successful ballot initiatives in Texas and Michigan.

He was a founding partner of Sterling Corporation, a public affairs, issues management and political consulting firm based in Lansing, MI. Prior to Sterling, Mr. Pero was Managing Director of the Michigan office of Weber Shandwick Worldwide, then the largest public relations company in the world, where he provided clients with message development, branding, marketing, communications and strategic counsel.

Previously, Mr. Pero served as vice-president of public affairs for Eckerd Corporation, one of the nation's largest retail drug store companies, where he was corporate spokesperson and managed government and pharmacy relations, directed internal and external communications, and administered Eckerd's political action committee.

He was a member of the Western Michigan University Board of Trustees for 9 years and served as Chairman in 2007. Mr. Pero also was a gubernatorial appointee to the Michigan Judicial Tenure Commission, the Pontiac Stadium Building Authority and the Michigan Film Commission. Mr. Pero has also been an Adjunct Professor at Michigan State University where he taught campaign planning, message development and communications. He earned a Bachelor of Science at Western Michigan University and is a graduate of the Harvard School of State and Local Executives.

Dan lives with his wife, Colleen, and their two children in Laingsburg, Michigan.



ABOUT MISSION SUCCESSES THE AJP DIFFERENCE LEADERSHIP CEO ALARM

CEO Alarm: The Real Cost Of State Liability

Excessive tort litigation costs are estimated at \$589 billion, but state-level liability lawsuits cost more than just indemnities, legal fees and G/A. There are substantial hidden costs.

Liability Crisis Hidden Costs

Damage to share value and reputation. Increasingly, the plaintiff's bar is mounting PR campaigns and analyst briefings designed to drive down share value to force companies to settle even when they've done nothing wrong:

- Merck lost \$40 billion in value after the filing of Vioxx lawsuits.
- The HMO industry lost \$12 billion in value in one day after a Dickie Scruggs press conference.
- Tort lawsuits reduce stockholder wealth by \$684 billion each year.

Higher litigation reserves, insurance costs and employee health care costs.

- \$124 billion of total health care costs is attributable to defensive medicine/litigation concerns. The lions share falls on employers that provide employee health insurance.

Stunted innovation/lost sales.

- Inhibited research and development results in a \$367 billion annual loss in sales of new products.

The Bottom Line Liability Reform Objectives

- 1. Reduce the risk of "bet the company" lawsuits and lawsuits that threaten share value, company reputation or product image.
- 2. Slow the increase and eventually reduce unwarranted litigation costs.

Liability Reform Strategies

- 1. Selection of "rule of law" state court judges, governors, legislators and attorneys general.
- 2. Legislation and court rules that end perverse incentives for meritless lawsuits and restore fairness and

- predictability.
- 3. Engage the public so they understand how a broken legal system hurts them every day.



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ABSURDITY IN MOTION

WACKY, TACKY & LOONEY

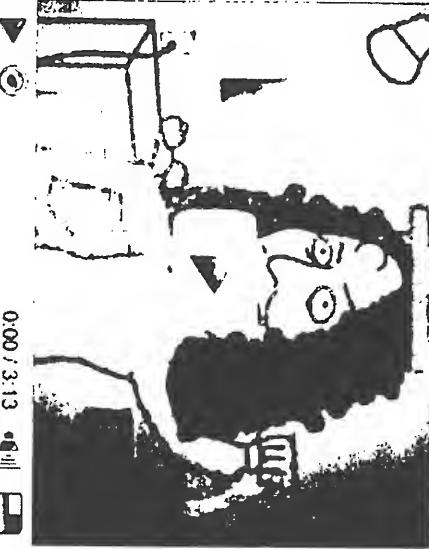
Absurdity In Motion

Can you believe how many ridiculous lawsuits get a day in court and the extreme lengths business owners are forced to go to protect themselves from greedy lawyers? Should we laugh at the absurdity - or shed a tear at the cost? Check out the links below and decide for yourself.

Laughter Is The Best Medicine

Sometimes after hearing about so many scam lawsuits you need some comic relief. Here are a few of our favorites.

Frivolous lawsuits beware!



Weird Al Yankovic - I'll Sue Ya

Weird Al Yankovic pulls no punches as he takes aim at frivolous lawsuits.

<http://www.americanjusticepartnership.org/absurdity.php>

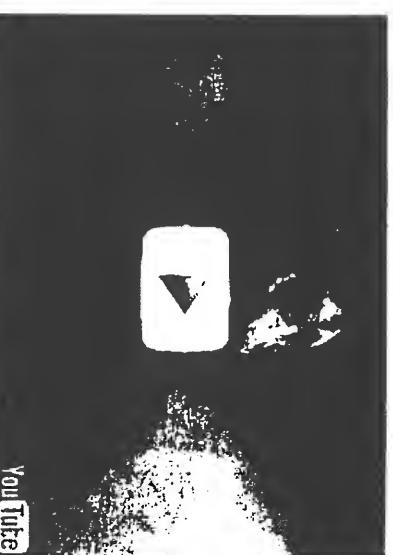
Craig Ferguson

The broken legal system leaves The Late Late Show host Craig Ferguson fed-up and funny.

<http://www.americanjusticepartnership.org/absurdity.php>

Sad But True

While we joke about absurd lawsuits, unfortunately the reality is no laughing matter. If we don't take action, greedy trial lawyers will destroy America's hardworking small business owners like those in these video clips. These clips were produced by SickofLawsuits.org please visit their website to join their grassroots army in fighting lawsuit abuse.



Joe Olear

Insurance to protect his bowling alley against frivolous lawsuits costs a fortune.

YouTube

Patrick Rosacker

A 50-year-old business suffers from allocating resources to fight greedy trial lawyers.

YouTube

Michael Palmer

An impractical paper towel dispenser lawsuit threatens this man's auto repair shop.

YouTube



Wacky, Tacky & Looney



[ABSURDITY IN MOTION](#) [WACKY, TACKY & LOONEY](#)

Wacky, Tacky & Looney

Can you believe how many ridiculous lawsuits get a day in court and the extreme lengths business owners are forced to go to protect themselves from greedy lawyers? What about the tacky trial lawyers who file these suits? Should we laugh at the absurdity – or shed a tear at the cost of the craziness? Check out the links below and decide for yourself:



What happened to common sense? Companies have been forced to put seemingly obvious warnings on their products because of outrageous lawsuits. Follow Bob Dorigo Jones as he searches for the wackiest warning labels. [MORE](#)

Some things must be seen to be believed. Check out some of the tackiest trial lawyer ads ever made at Steve Yaccino's Esquire.com blog. They may look like Saturday Night Live parodies but sadly they're real! They may make you chuckle but their impact on our lawsuit crazy culture is no laughing matter. [MORE](#)





Partners In Action

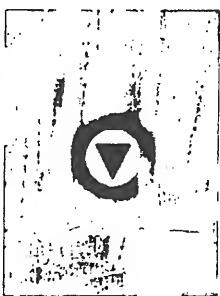
Partners in Action
Here are just a few examples of our partners in action.

THE STATES

PARTNERS IN ACTION



Meet Wisconsin's reform minded Judge Michael Gablerman.



Stop Kathleen Falk's nuisance lawsuits in Wisconsin.



Meet pro-reform Wisconsin Judge Annette Ziegler.



Gordon Maag fighting frivolous lawsuits in Illinois is a laugh.



Meet pro-reform Michigan Judge Stephen Markman.



Don't damage Texas governments in Texas from



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Don't punish Texas
homeowners and small
business owners.



Protect Texas local
governments, property
owners and workers.



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Donate

By donating to the American Justice Partnership organization you will help fight excessive litigation, however, due to the nature of our activities donations are not tax deductible. If you would like to make a contribution:

Send a check to:

American Justice Partnership

600 South Walnut Street
Lansing, MI 48933

or

[Click here to have an AJP Finance Director contact you directly.](#)

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Stay Informed

Sign up to receive AJP updates and more information about how to help fix our broken legal system.

Items with asterisk (*) = Required to submit the form

First Name:

Last Name:

Title:

Organization:

Address:

City:

State: Outside US

Zip Code:

Country:

Telephone:

Email:

Which of the following best describes your interest area?*

Your Interest Area

Which of the following best describes your occupational role?*

Your Professional Role

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Contact

Contact

600 South Walnut Street, Lansing, MI 48933

Phone: 517-371-7276

Fax 517-371-7277

Name:

Email:

Message:



LEGAL REFORM MID-YEAR UPDATE

A special report to AJP Funders

July 10, 2009

As we predicted, 2009 has seen a reinvigorated plaintiffs' bar attempt to put legal reformers on defense in many parts of the country. Despite their renewed attacks on advocates of balance in our legal system, a mid-year review finds reformers have enjoyed some major victories, withstood several close calls and suffered a couple of disappointments. AJP helped several state partners develop and deliver compelling messages that highlight the value of legal reform during these challenging economic times. When given the binary choice of more jobs or more lawsuits, public support swells for jobs and reform.

AJP focused these types of messages in six key states where the promotion or defense of legal reform legislation was a critical part of the legislative session. The following summary represents the states where AJP provided financial support and issue advocacy programs.

Oklahoma

The American Justice Partnership congratulates our partner, the Oklahoma Chamber of Commerce, who won passage of the omnibus legal reform bill known as HB 1603. AJP collaborated with the Oklahoma Chamber on strategy and message development on behalf of a historic win that will bring sanity to Oklahoma's legal system. HB 1603 features a package of over 23 comprehensive reforms that will return fairness and balance to the state's court system.

Reforms include:

- Extensive Class Action Reform
- Appeal Bond Cap - \$25 million & no appeal bond required on punitive damage appeals
- Mandatory Dismissal for Late Service (180 days)
- Summary Judgment – Adopted Federal Rules
- Redefining of "Frivolous" Lawsuits
- Junk Science & Expert Witness Reforms
- Prejudgment Interest Reforms (Shall not begin to accrue until 24 months after commencement of suit) and a reduction in the rate calculation
- Joint & Several Liability (While retaining the current language stating that such liability only applies if the tortfeasor is more than 50% at fault, the reform language will remove the exception for instances where the plaintiff is not contributory at fault.)
- Asbestos/Silicosis Reforms
- Cap on Non-Economic Damages
- Pleading/award level (More closely tied to Federal level)
- Peer Review Confidentiality
- Certificate of Merit for Professional Negligence
- Products Liability
- Forum non conveniens
- Initial Disclosure of Witness Exhibits
- Gun Manufacturers Liability Protection
- Common Sense Consumption Act ("Cheeseburger Act")
- Volunteer Liability
- Emergency Volunteer Immunity
- School Protection Act
- Admissibility of non-wearing of Seat Belts (for children under 16)
- Agri-Tourism Liability Reform



Wisconsin

Recognizing that their proposals would not withstand public scrutiny, the trial bar buried deep in Gov. Doyle's budget proposal a provision that would gut previously enacted joint and several liability reforms. AJP and the Wisconsin Manufacturers & Commerce (WMC) exposed the hidden proposal and educated the public and lawmakers on the harsh impact increased liabilities would have on Wisconsin's already crippled economy. AJP provided a grant and communications experts who worked with WMC on media outreach, message development and advertising.

Our efforts succeeded in removing the liability expanding provision from the state budget. However, a new law did pass that allows convicted felons, among others, to file lawsuits to win workplace punitive damage awards up to \$300,000 on top of actual damage awards. WMC urged Doyle to veto the legislation and then what happened?

Texas

AJP's investment of money and professional communications resources in Texas paid large dividends. Reformers stymied every major personal injury trial lawyer-backed initiative. Lawmakers agreed with our partner, the Texas Civil Justice League (TCJL) that economic recovery and job creation depend upon a legal and regulatory environment that encourages business expansion and investment.

By working with lawmakers on developing public policy, TCJL has earned a reputation as an "honest broker" which was an important calling card at a time when misinformation clouded the debate on many issues. Legal reformers succeeded in several pitched battles, including evidence standards in asbestos-related mesothelioma cases, paying "phantom" healthcare damages in personal injury lawsuits, wide-ranging *qui tam* proposals, and unprecedented expansion of property owners' liability. One 11th hour bill that would expand liability for physicians who practice in rural hospitals and undermine Texas' medical malpractice caps passed but was vetoed by Governor Rick Perry. AJP and TCJL will closely monitor a short July special session that should be limited to the review of agencies under sunset review and transportation bonding authority.

Michigan

Lobbying and education efforts have led to the postponement of the consideration of three hostile Michigan bills until October. HB 4316 eliminates the language barring Michigan citizens from suing drug companies over any drug with FDA approval; HB 4317 would give people whose drug product liability claims were barred by the current law a 3 year window to commence a claim; and HB 4318 would expand the Consumer Protection Act to make it an unfair trade practice in the event of inaccurate representations concerning risks of certain drugs, medications, and supplements. In the recent US Supreme Court decision (*Wyeth v Levine*), the court left states the authority to determine which lawsuits challenging FDA decisions should be allowed. This fall, the AJP will be supporting the FDA Defense bill and working to defeat any legislation that expands liability. A slim pro-reform majority in the Michigan Senate that has protected liability reforms will be tested in a special election in the 19th district this fall. The race promises to be an expensive contest with major implications for the 2010 campaigns.



South Carolina

AJP is currently engaged with the South Carolina Civil Justice Coalition as they implement a two-year strategy to bring liability reform to the Palmetto State. The first quarter of 2009 saw trial lawyer-legislators use the furlough issue and budget shortfalls to stall legal reform initiatives. The Coalition and AJP are shining a bright light on the delaying tactics of these trial lawyer-legislators.

AJP funded communications efforts in 35 targeted legislative districts have helped achieve a commitment for interim hearings this fall and made liability reform a top House leadership priority in 2010. Given the uncertainty of Governor Mark Sanford's political future it is important to note that Lt. Governor Andre Bauer campaigned as a tort reformer this past election cycle. Speaker of the House, Bobby Harrell, is also a committed champion of reform and is driving this legislative effort.

Louisiana

AJP's partnership with the Coalition for Common Sense during the spring session achieved significant success in the Louisiana House that was ultimately stymied by the trial bar in the Senate. Three bills passed the House that will streamline and expedite the litigation process for latent disease: a) a bankruptcy transparency bill that would require plaintiffs to disclose if they have already filed against the Trust; b) a bill that would require the plaintiff to file the lawsuit in the Parish of exposure; and c) a bill that would require the plaintiff to substantiate their claims by providing basic employment information and location of their exposure.

The retirement of 4th District Supreme Court Justice Chet Traylor necessitates a special election on October 17. A preliminary analysis of the two likeliest candidates' records shows few philosophical differences but state partner, the Louisiana Association of Business and Industry (LABI), will be interviewing the candidates this summer. We will pursue further due diligence and continue our dialogue with LABI before deciding whether or not to defer participation.

For more information on a specific state or legislation, please contact:

Dan Pero
President
American Justice Partnership
(517) 371-7276
dperoajp@aol.com



Tipping the scales for legal reform.

Mission

The American Justice Partnership (AJP) works to improve the fairness and predictability of the legal environment at the state level.

- AJP creates an environment in which legal reform champions can be elected to high offices like governor, legislature, attorney general and supreme court.
- AJP enacts and protects state legislation that increases fairness and predictability often resulting in more favorable litigation costs and awards and an improved jobs environment by limiting the abusive lawsuits brought by the trial bar.
- AJP fights lawsuit abuse and jackpot justice by opposing bad laws, bad judges and bad lawyers.

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What We Do

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Why We're Better

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How We Win

AJP has nearly a decade of experience in going toe-to-toe with the trial bar on major issues. We've learned that they engage every fight, big or small, with a take-no-prisoners approach that many companies and organizations cannot match without risking damage to their brands. We provide anonymity to funders who need to protect their legitimate business interests but can't afford to risk their brand reputation.

The programs we design, fund and implement typically feature the type of hardball tactics that are necessary to prevail against a highly-motivated opponent. Our efforts are focused:

- Where our help can tip the balance.
- In states where major legal reform legislation is at stake.
- Where the trial bar, unions and other liberal opponents of legal reform engage in elections for the state legislature, attorney general and supreme court.
- Where we have credible local organizations with which to partner.

It is the combination of experience, approach and targeting that allows AJP to succeed in achieving legal reform at the state level.

For more information please contact Dan Pero, President American Justice Partnership at 517-371-7276 or dpero@americanjusticepartnership.org.

Internal Revenue Service
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Department of the Treasury

Date: December 3, 2009

American Justice Partnership
C/O Robert Olshan
4900 Massachusetts Avenue, NW
Suite 220
Washington, DC 20016

Employer Identification Number:

20-2222409

Person to Contact - Group #:

Gerry McLaughlin - 7827

ID# 1000203235

513-263-3590 Phone

513-263-4488 Fax

Response Due Date:

December 28, 2009

Dear Sir or Madam:

We need more information before we can complete our consideration of your application for exemption. Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on your application. Also, the information you submit should be accompanied by the following declaration:

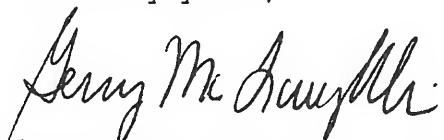
Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

To facilitate processing of your application, **please attach a copy of this letter to your response.** This will enable us to quickly and accurately associate the additional documents with your case file.

If we do not hear from you within that time, we will assume you no longer want us to consider your application for exemption and will close your case. As a result, the Internal Revenue Service will treat you as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new application.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Gerry McLaughlin
Exempt Organizations Specialist

Enclosure: Information Request

American Justice Partnership
20-2222409

Additional Information Requested:

1. Please have an officer sign and date the enclosed statement.
2. The Articles of Incorporation does not show proof that they have been filed with the District of Columbia. Since you are a corporation, you must submit a complete copy of your Articles of Incorporation and any amendments thereto that show evidence that they have been filed with and approved by the State in which you are incorporated.
3. Please submit a copy of the agreement between your organization and Foley & Lardner LLP. Also send a copy of the agreement between your organization and the Pero Consulting, Inc. To determine whether the transaction is truly arm's length, please respond to the following:
4. Was the transaction between related parties?
5. Who signed the agreement?
6. Who was involved in the decision-making process-interested parties or independent parties?
7. Who set the terms of the agreement, and how?
8. What was the basis of the decision?

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:

Internal Revenue Service
Exempt Organizations
P. O. Box 2508
Cincinnati, OH 45201
ATT: Gerry McLaughlin
Room 4522
Group 7827

Street Address:

Internal Revenue Service
Exempt Organizations
550 Main St, Federal Bldg.
Cincinnati, OH 45202
ATT: Gerry McLaughlin
Room 4522
Group 7827

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

Signature of Officer

Date

Internal Revenue Service
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Department of the Treasury

Date: December 3, 2009

American Justice Partnership
C/O Cleta Mitchell, Esq.
Foley & Lardner LLP
3000K Street NW, Sixth Floor
Washington, DC 20007

Employer Identification Number:

20-2222409

Person to Contact - Group #:

Gerry McLaughlin - 7827

ID# 1000203235

513-263-3590 Phone

513-263-4488 Fax

Response Due Date:

December 28, 2009

Dear Sir or Madam:

We need more information before we can complete our consideration of your application for exemption. Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on your application. Also, the information you submit should be accompanied by the following declaration:

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

To facilitate processing of your application, **please attach a copy of this letter to your response.** This will enable us to quickly and accurately associate the additional documents with your case file.

If we do not hear from you within that time, we will assume you no longer want us to consider your application for exemption and will close your case. As a result, the Internal Revenue Service will treat you as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new application.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Gerry McLaughlin
Exempt Organizations Specialist

Enclosure: Information Request

Letter 1312 (TEDS)

American Justice Partnership
20-2222409

Additional Information Requested:

1. Please have an officer sign and date the enclosed statement.
2. The Articles of Incorporation does not show proof that they have been filed with the District of Columbia. Since you are a corporation, you must submit a complete copy of your Articles of Incorporation and any amendments thereto that show evidence that they have been filed with and approved by the State in which you are incorporated.
3. Please submit a copy of the agreement between your organization and Foley & Lardner LLP. Also send a copy of the agreement between your organization and the Pero Consulting, Inc. To determine whether the transaction is truly arm's length, please respond to the following:
4. Was the transaction between related parties?
5. Who signed the agreement?
6. Who was involved in the decision-making process-interested parties or independent parties?
7. Who set the terms of the agreement, and how?
8. What was the basis of the decision?

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:

Internal Revenue Service
Exempt Organizations
P. O. Box 2508
Cincinnati, OH 45201
ATT: Gerry McLaughlin
Room 4522
Group 7827

Street Address:

Internal Revenue Service
Exempt Organizations
550 Main St, Federal Bldg.
Cincinnati, OH 45202
ATT: Gerry McLaughlin
Room 4522
Group 7827

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

Signature of Officer

Date



FOLEY & LARDNER LLP

ATTORNEYS AT LAW
WASHINGTON HARBOUR
3000 K STREET, N.W.
SUITE 600
WASHINGTON, D.C. 20007-5109
202.672.5300 TEL
202.672.5399 FAX
foley.com

WRITER'S DIRECT LINE
202.295.4081
cmitchell@foley.com EMAIL

CLIENT/MATTER NUMBER
999100-0130

**CERTIFIED MAIL-RETURN RECEIPT REQUESTED
AND FACSIMILE: (513) 263-4488**

December 24, 2009

Mr. Gerry McLaughlin – 7827
ID # 1000203235
Exempt Organization Specialist
Internal Revenue Service
PO Box 2508 - Room 4522
Cincinnati, OH 45201

TE/GE, Processing
Correspondence
RECEIVED

DEC 28 2009

*Internal Revenue Service
Cincinnati, Ohio*

Re: RE: Application for Exempt Status
American Justice Partnership – EIN #20-2222409

Dear Mr. McLaughlin:

The undersigned serves as counsel to the above-referenced organization, American Justice Partnership. We are in receipt of your letter dated December 3, 2009 requesting additional information.

We are in the process of locating the additional documents requested, but are in need of additional time to locate the records you have requested in order to respond fully. We are therefore requesting an extension of time to submit the requested response.

I have tried calling the telephone number listed on your letter (513-263-3590) but receive only a disconnected message. I am assuming the fax number listed on the letter (513-263-4488) is in service but to be certain that your office receives this response and request for additional time, I am also sending this via certified mail.

Please contact me at (202) 295-4081 should you have additional questions. We will submit the completed response no later than thirty days of the initial requested date for responding, or January 28, 2010. Thank you for your assistance.

Sincerely,

Cleta Mitchell

Cleta Mitchell, Esq.
CAF # 03-0004041R

BOSTON
BRUSSELS
CHICAGO
DETROIT

JACKSONVILLE
LOS ANGELES
MADISON
MIAMI

MILWAUKEE
NEW YORK
ORLANDO
SACRAMENTO

SAN DIEGO
SAN DIEGO/DEL MAR
SAN FRANCISCO
SHANGHAI

SILICON VALLEY
TALLAHASSEE
TAMPA
TOKYO
WASHINGTON, D.C.

WASH_6669772.1



FOLEY & LARDNER LLP

ATTORNEYS AT LAW

3000 K STREET NW, SUITE 600
WASHINGTON, D.C. 20007
202-672-5300 TEL
202-672-5399 FAX
www.foley.com

January 11, 2010

WRITER'S DIRECT LINE AND EMAIL
202-945-6105
alwarren@foley.com

VIA FACSIMILE AND FEDERAL EXPRESS

Gerry McLaughlin
Department of the Treasury
Internal Revenue Service
Exempt Organizations
550 Main St., Federal Building
Room 4522, Group 7827
Cincinnati, Ohio 45202
Fax: (513) 263-4488

TE/GE, Processing
Correspondence
RECEIVED

JAN 12 2010

Internal Revenue Service
Cincinnati, Ohio

Re: American Justice Partnership
Employer Identification Number: 20-2222409

Dear Ms. McLaughlin:

This letter responds to your request for additional information regarding American Justice Partnership (the "Organization"). For your convenience, each of your questions is set forth below, followed by the organization's response.

1. Please have an officer sign and date the enclosed statement.

Mr. Dan Pero, President of the Organization, has signed and dated the enclosed statement.

2. The Articles of Incorporation does not show proof that they have been filed with the District of Columbia. Since you are a corporation, you must submit a complete copy of your Articles of Incorporation and any amendments thereto that show evidence that they have been filed with and approved by the State in which you are incorporated.

The Articles of Incorporation were inadvertently omitted in the initial application. Please find enclosed copies of (i) the original Articles of Incorporation as filed in the District of Columbia on January 25, 2005 (along with the Certificate of Incorporation issued by the District of Columbia Department of Consumer and Regulatory Affairs on January 26, 2005), (ii) the amended Articles of Incorporation as filed in the District of Columbia on April 2, 2007 (along with the Certificate of Amendment issued by the District of Columbia Department of Consumer and Regulatory Affairs on April 2, 2007), (iii) the amended Articles of Incorporation as filed in the District of Columbia on June 30, 2009 (along with the Certificate of Amendment issued by the District of Columbia Department of Consumer and Regulatory Affairs on June 30, 2009), and (iv) the resolution of the Board of Directors of the Organization authorizing the amendment to the Articles of Incorporation.

BOSTON
BRUSSELS
CENTURY CITY
CHICAGO
DETROIT

JACKSONVILLE
LOS ANGELES
MADISON
MIAMI
MILWAUKEE

NEW YORK
ORLANDO
SACRAMENTO
SAN DIEGO
SAN DIEGO/DEL MAR

SAN FRANCISCO
SHANGHAI
SILICON VALLEY
TALLAHASSEE
TAMPA

TOKYO
WASHINGTON, D.C.

Ms. Gerry McLaughlin
January 11, 2010
Page 2

3. Please submit a copy of the agreement between your organization and Foley & Lardner LLP. Also send a copy of the agreement between your organization and the Pero Consulting, Inc.

With respect to the requested copy of the agreement between the Organization and Foley & Lardner LLP, the requested agreement is the engagement letter between the Organization and its law firm, Foley & Lardner LLP, which was entered into between the parties on April 13, 2005. The engagement letter is protected by the attorney client privilege as it is a confidential document between the law firm and its client, the Organization. For this reason, a copy of the confidential engagement letter between Foley & Lardner LLP and its client, the Organization, has not been provided.

With respect to the requested copy of the agreement between the Organization and Pero Consulting, Inc., the requested agreement is the Consulting Services Agreement dated as of March 1, 2005 between the Organization and Pero Consulting, Inc. A copy of this requested agreement is enclosed.

To determine whether the transaction is truly arm's length, please respond to the following:

4. Was the transaction between related parties?

The IRS instructions for Schedule R to Form 990 provide that an organization is a related organization to the tax-filing organization if it has one of the following relationships to the tax-filing organization: (i) parent, (ii) subsidiary, (iii) nonprofit organization controlled by the same person that controls the tax-filing organization or (iv) supporting organization. The tax-filing organization in this case is the Organization.

With respect to the engagement letter between the Organization and its law firm Foley & Lardner LLP, the transaction was not between related parties according the requirements to disclose related party transactions on Schedule R to Form 990. The law firm is not a parent, subsidiary or supporting organization of the Organization. Moreover, the law firm is not a nonprofit organization and is not controlled by the same person that controls the Organization, namely the Organization's Board of Directors.

With respect to the agreement between the Organization and Pero Consulting, Inc., the transaction was not between related parties according the requirements to disclose related party transactions on Schedule R to Form 990. For the following reasons, Pero Consulting, Inc. does not constitute a related party with respect to the Organization. First, Pero Consulting, Inc. is not a parent of the Organization because it does not own any equity interests in or have any control over the affairs of the Organization (which are vested in the Board of Directors of the Organization). Second, Pero Consulting, Inc. is not a subsidiary of the Organization because the Organization does not own any equity interests in or have any



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

Page 3

control over the affairs of Pero Consulting, Inc. Third, Pero Consulting, Inc. is not a nonprofit entity and is not controlled by the same person that controls the Organization, namely the Organization's Board of Directors. Fourth, Pero Consulting, Inc. is not a supporting organization of the Organization. Therefore, under the IRS regulations pertaining to the disclosure of related party transactions on Schedule R to Form 990, the agreement between the Organization and Pero Consulting, Inc. is not a related party transaction.

5. Who signed the agreement?

With respect to the engagement letter between the Organization and its law firm Foley & Lardner LLP, the letter was executed on behalf of the Organization by Mr. Dan Pero, President of the Organization, and on behalf of Foley & Lardner LLP by Cleta Mitchell, legal counsel to the Organization.

With respect to the agreement between the Organization and Pero Consulting, Inc., the agreement was executed on behalf of the Organization by Mr. John Engler, the Chairman of the Organization, and on behalf of Pero Consulting, Inc. by Mr. Dan Pero, President of Pero Consulting, Inc.

6. Who was involved in the decision-making process – interested parties or independent parties?

With respect to the engagement letter between the Organization and its law firm Foley & Lardner LLP, the decision-making process with respect to retaining Cleta Mitchell as legal counsel to the Organization was entirely independent and involved no related parties.

With respect to the agreement between the Organization and Pero Consulting, Inc., the decision-making process with respect to entering into the agreement with Pero Consulting, Inc. was founded upon the following facts. In 2004, a group of individuals decided to work on a national effort to bring tort reform to the states, using the model that had been established in Michigan in the late 1990s and early part of the 2000s. Dan Pero, President of Pero Consulting, Inc., had previously served as the Chief of Staff to then-governor of Michigan Mr. John Engler and had been a chief architect of the successful effort to enact tort reform legislation in Michigan. Based on Mr. Pero's former relationship with Mr. Engler as his previous Chief of Staff and campaign manager, Mr. Pero was then recruited by former Governor Engler and others involved in forming the Organization. Mr. Pero agreed to become the President of the Organization and to help build a national effort similar to what he had helped to achieve in Michigan during his service in the governor's office.



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

Page 4

7. Who set the terms of the agreement, and how?

With respect to the engagement letter between the Organization and its law firm Foley & Lardner LLP, the terms of the agreement were set by the normal and customary manner in which law firms are engaged, based on hourly rates for attorneys with specific experience and skills.

With respect to the agreement between the Organization and Pero Consulting, Inc., the terms of the agreement were determined through negotiations between the members of the Board of Directors of the Organization and Mr. Pero to secure Mr. Pero's involvement with the Organization, a start-up organization. Although Mr. Pero is the current President of the Organization, he receives no compensation from the Organization for his services as President.

Pero Consulting, Inc. does receive payments from the Organization for any services that Mr. Pero actually performs in his capacity as a consultant for the Organization at a rate of \$25,000 per month which was based on Mr. Pero's then-current consulting fee of \$250 per hour and based upon the then-market rate for salaries of Executive Vice Presidents performing similar consulting services. This rate was increased pursuant to a resolution of the Board of Directors of the Organization in 2007 to \$27,916 per month, which increase reflects Mr. Pero's increased workload and job performance. In turn, Mr. Pero is paid a salary by Pero Consulting, Inc. for his services. Mr. Pero works 8-10 hours per day in his role as President of Pero Consulting, Inc. and performs all of the work himself without the assistance of any support or clerical staff. The expenditures of the Organization with respect to its agreement with Pero Consulting, Inc. have been duly reported on the Organization's IRS Form 990 each year since 2005, the relevant pages of each Form 990 showing such expenditures are enclosed.

8. What was the basis of the decision?

With respect to the engagement letter between the Organization and its law firm Foley & Lardner LLP, the basis of the decision was a review of the needs of the Organization after it had been operating for a sufficient period of time, such that the prior attorneys that had represented the Organization were not deemed to be of sufficient skill to properly represent the Organization and meets the needs of the Organization. The Organization then searched for new counsel and retained Cleta Mitchell, a partner in the Washington, D.C. office of Foley & Lardner LLP, based on her reputation as a nationally renowned attorney representing organizations involved in the policy, legislative and political law realm. Ms. Mitchell agreed in 2009 to serve as the corporate secretary of the Organization in order to maintain and keep current the corporate records and filings of the Organization.



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin
January 11, 2010
Page 5

With respect to the agreement between the Organization and Pero Consulting, Inc., the basis of the decision was that Mr. Pero would be responsible for building the Organization, raising money, overseeing and implementing the programs approved by the Board of Directors of the Organization, and many other duties requiring specialized skills, knowledge and expertise, not to mention the subject matter expertise and experience in the realm of civil justice, tort reform, and lawsuit abuse.

* * *

If you have any additional questions regarding the Organization or its operations, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive ink that appears to read "Ann L. Warren".

Ann L. Warren

Enclosures

cc: Cleta Mitchell, Foley & Lardner LLP (with attachments)



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

Page 6

Enclosure 1

Original Statement Signed by Mr. Dan Pero

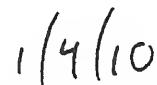
Please see attached.

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.



Signature of Officer



Date



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

Page 7

Enclosure 2(i)

Copy of Original Articles of Incorporation
and Certificate of Incorporation

Please see attached.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS



C E R T I F I C A T E

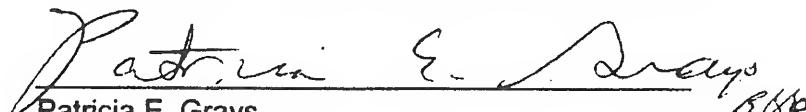
THIS IS TO CERTIFY that all applicable provisions of the District of Columbia NonProfit Corporation Act have been complied with and accordingly, this **CERTIFICATE OF INCORPORATION** is hereby issued to:

AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of this office to be affixed as of the **26th day of January, 2005.**

David Clark
DIRECTOR

John T. Drann
Administrator
Business and Professional Licensing Administration



Patricia E. Grays
Superintendent of Corporations
Corporations Division

Anthony A. Williams
Mayor

ARTICLES OF INCORPORATION
OF
AMERICAN JUSTICE PARTNERSHIP

TO: Department of Consumer and Regulatory Affairs
Business Regulation Administration
Corporations Division
Washington, D.C.

THE UNDERSIGNED, all of whom are natural persons of the age of eighteen years or more, acting as incorporators of a corporation pursuant to the District of Columbia Nonprofit Corporation Act, hereby certify:

FIRST: The name of the Corporation is American Justice Partnership.

SECOND: The period of duration of the Corporation is perpetual.

THIRD: The Corporation is organized and shall be operated exclusively as a nonprofit business league within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended ("the Code"). The purposes of the Corporation are to receive, administer and expend funds to promote the common interests of businesses that are interested in legal reform.

In addition, the Corporation shall have all the general powers enumerated in Section 29-301.05 of the District of Columbia Nonprofit Corporation Act as now in effect or as may hereafter be amended.

FOURTH: The Corporation is not authorized to issue capital stock.

FIFTH: The Corporation shall have no members.

SIXTH: The affairs of the Corporation shall be carried on by its Board of Directors. The manner of appointment, tenure, and election of successor directors is set forth in the bylaws.

SEVENTH: Provisions for the regulation of the internal affairs of the Corporation, including provisions for distribution of assets on dissolution or final liquidation are as follows:

A. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation, or any other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and

to make payments and distributions in furtherance of the purposes set forth in Article THIRD hereof.

B. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not directly or indirectly carry on any activity, which would not be permitted to be carried on by an organization exempt under Section 501(c)(6) of the Code.

C. In the event of dissolution or final liquidation of the Corporation, all of the remaining assets and property of the Corporation shall, after paying or making provision for the payment of all of the liabilities and obligations of the Corporation and for necessary expenses thereof, be applied in a manner consistent with the purposes for which the Corporation is organized as the Board of Directors shall determine.

EIGHTH: The address, including street and number, of the initial registered office of the Corporation is 1090 Vermont Avenue, Washington, D.C. 20005, and the name of its initial registered agent at such address is Corporation Service Company.

NINTH: The number of directors constituting the initial Board of Directors is three (3), and the names and addresses, including street and number, of the persons who are to serve as the initial directors until their successors are elected are as follows:

<i>Name</i>	<i>Address</i>
John Engler	1331 Pennsylvania Ave NW Washington, DC 20004
Steve Hantler	1331 Pennsylvania Ave NW Washington, DC 20004
LeAnne Wilson	1331 Pennsylvania Ave NW Washington, DC 20004

TENTH: The name and address, including street and number, of each incorporator is as follows:

<i>Name</i>	<i>Address</i>
John Engler	1331 Pennsylvania Ave NW Washington, DC 20004
Jan Amundson	1331 Pennsylvania Ave NW Washington, DC 20004

LeAnne Wilson

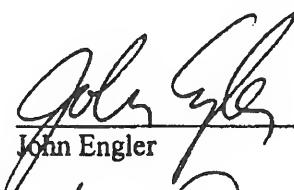
1331 Pennsylvania Ave NW
Washington, DC 20004

ELEVENTH: These Articles of Incorporation may be signed in any number of counterparts, all of which when taken together will constitute one and the same document.

Dated as of: January 25, 2005

SIGNATURE PAGE TO
ARTICLES OF INCORPORATION OF
AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF, the undersigned subscribe these Articles of Incorporation as of the date set forth above.


John Engler


Jan Amundson


LeAnne Wilson

District of Columbia) ss

I, Shonzia Arrington, a notary public, hereby certify that on the 25 day of January, 2005, personally appeared before me John Engler, who being first duly sworn, declared that he signed the foregoing document as incorporator, and that the statements therein contained are true.

(Notarial Seal)



Notary Public

SHONZIA ARRINGTON
Notary Public, District of Columbia
My Commission Expires February 28, 2009

District of Columbia) ss

I, Shonzia Arrington, a notary public, hereby certify that on the 25 day of January, 2005, personally appeared before me Jan Amundson, who being first duly sworn, declared that she signed the foregoing document as incorporator, and that the statements therein contained are true.

(Notarial Seal)



Notary Public

SHONZIA ARRINGTON
Notary Public, District of Columbia
My Commission Expires February 28, 2009

District of Columbia) ss

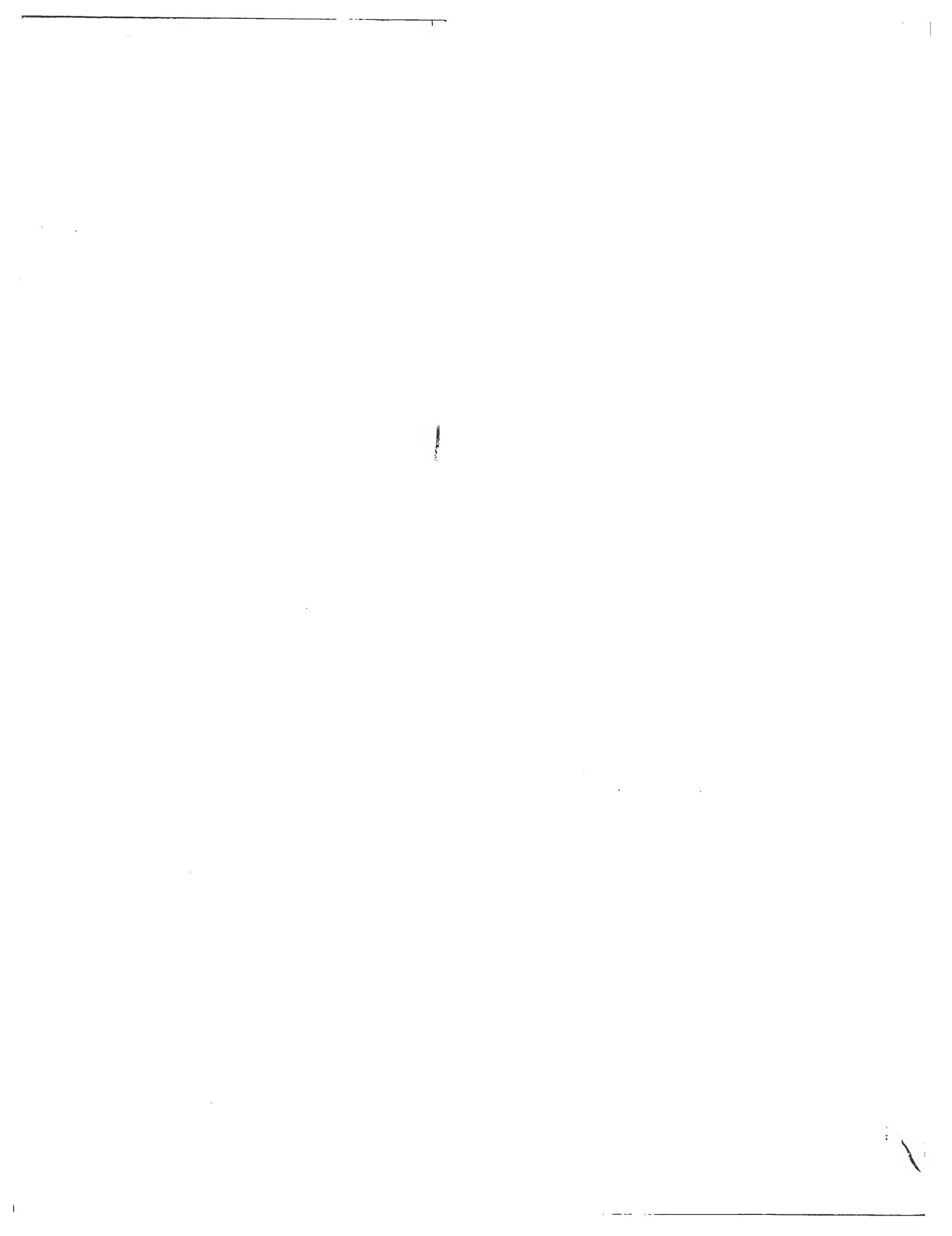
I, Shonzia Arrington, a notary public, hereby certify that on the 25 day of January, 2005, personally appeared before me LeAnne Wilson, who being first duly sworn, declared that she signed the foregoing document as incorporator, and that the statements therein contained are true.

(Notarial Seal)



Notary Public

SHONZIA ARRINGTON
Notary Public, District of Columbia
My Commission Expires February 28, 2009





FOLEY & LARDNER LLP

Ms. Gerry McLaughlin
January 11, 2010
Page 8

Enclosure 2(ii)

Copy of Amended Articles of Incorporation
and Certificate of Amendment

Please see attached.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS

#250294



C E R T I F I C A T E

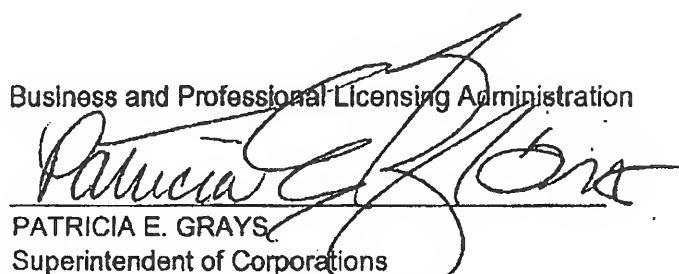
THIS IS TO CERTIFY that all applicable provisions of the District of Columbia NonProfit Corporation Act have been complied with and accordingly, this **CERTIFICATE OF AMENDMENT** is hereby issued to:

AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of this office to be affixed as of the 2nd day of April, 2007.

LISA M. MORGAN
Interim Director

Business and Professional Licensing Administration


PATRICIA E. GRAYS
Superintendent of Corporations
Corporations Division

Adrian M. Fenty
Mayor

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
AMERICAN JUSTICE PARTNERSHIP

APR 2 2007

TO: Department of Consumer and Regulatory Affairs
Business Regulation Administration
Corporations Division
Washington, D.C.

THE UNDERSIGNED, being the duly elected President or Vice-President of American Justice Partnership, a nonprofit corporation created pursuant to the District of Columbia Nonprofit Corporation Act (the "Corporation") hereby certifies:

- (1) The name of the Corporation is AMERICAN JUSTICE PARTNERSHIP.
- (2) The following amendment to the Corporation's Articles of Incorporation was duly considered and adopted by the Corporation:

FIRST: Article FIFTH of the Corporation's Articles of Incorporation shall be modified in its entirety to read as follows:

The Corporation shall have members. The means of selecting members and the rights and duties of members shall be as set forth in the Bylaws of the Corporation from time to time.

SECOND: In all other respects, the Corporation's Articles of Incorporation shall remain in effect as initially filed with the Department of Consumer and Regulatory Affairs.

(3) The Corporation has no members and the amendment to the Corporation's Articles of Incorporation set out in (2) above was considered at a duly convened meeting of the Corporation's Board of Directors on March 7, 2007 and was at that meeting adopted by a majority of the directors in office.

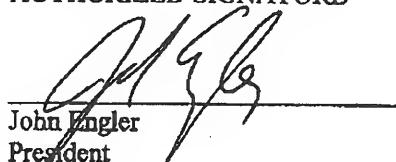
ATTEST:


LeAnne Wilson

Corporate Secretary

Date of Signature: 3/7/07

AUTHORIZED SIGNATURE


John Engler
President

Date of Signature: 3/7/07



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin
January 11, 2010
Page 9

Enclosure 2(iii)

Copy of Amended Articles of Incorporation
and Certificate of Amendment

Please see attached.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS



CERTIFICATE

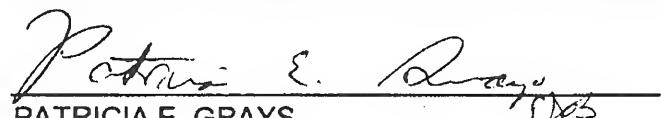
THIS IS TO CERTIFY that all applicable provisions of the District of Columbia NonProfit Corporation Act have been complied with and accordingly, this **CERTIFICATE OF AMENDMENT** is hereby issued to:

AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of this office to be affixed as of the 30th day of June, 2009.

LINDA K. ARGO
Director

Business and Professional Licensing Administration



PATRICIA E. GRAYS
Superintendent of Corporations
Corporations Division

Adrian M. Fenty
Mayor

ARTICLES OF AMENDMENT TO
THE ARTICLES OF INCORPORATION OF

AMERICAN JUSTICE PARTNERSHIP

To: Department of Consumer and Regulatory Affairs
Business Regulations Administration
Corporations Division
District of Columbia

Pursuant to the provisions of the District of Columbia Nonprofit Corporation Act, the undersigned, being and constituting all of the members of the Board of Directors of American Justice Partnership (the "Corporation"), hereby adopts the following Articles of Amendment to its Articles of Incorporation:

(1) The name of the corporation is:

AMERICAN JUSTICE PARTNERSHIP

(2) The following amendment of the Articles of Incorporation was duly considered and adopted by the Corporation in the manner prescribed by the District of Columbia Nonprofit Corporation Act:

FIRST: Article THIRD of the Corporation's Articles of Incorporation shall be modified in its entirety to read as follows:

The Corporation is organized and shall be operated exclusively as a nonprofit social welfare organization within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended (the "Code"). The purposes of the Corporation are to promote legal reform in the states; to educate citizens about civil justice, legal reform and the importance of the rule of law in American jurisprudence; and for any other lawful purpose for a social welfare organization pursuant to Section 501(c)(4) of the Code (or the corresponding section of any future federal tax code).

In addition, the Corporation shall have all the general power enumerated in Section 29-301.05 of the District of Columbia Nonprofit Corporation Act as now in effect or as may hereafter be amended.

SECOND: In all other respects, the Corporation's Articles of Incorporation shall remain in effect as filed and amended with the Department of Consumer and Regulatory Affairs.

(3) The amendment was adopted by a consent in writing, signed by all members entitled to vote with respect thereto.

(4) These Articles of Amendment may be signed in any number of counterparts, all of which when taken together will constitute one and the same document.

Dated as of: April 30, 2009

IN WITNESS WHEREOF, the undersigned have executed this consent as of the date set forth above.

Dan Pero
Dan Pero
President

Cleta Mitchell
Cleta Mitchell
Secretary



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin
January 11, 2010
Page 10

Enclosure 2(iv)

Copy of Resolution of Board of Directors
Authorizing Amendment to Articles of Incorporation

Please see attached.

**UNANIMOUS WRITTEN CONSENT OF THE
BOARD OF DIRECTORS OF**

**AMERICAN JUSTICE PARTNERSHIP
A DISTRICT OF COLUMBIA NOT-FOR-PROFIT CORPORATION**

Pursuant to the provisions of the District of Columbia Nonprofit Corporation Act, the undersigned, being and constituting all of the members of the Board of Directors of American Justice Partnership (the "Corporation"), do hereby take the following actions:

WHEREAS, the Bylaws specify that the Articles of Incorporation of the Corporation may be amended by an affirmative vote of a majority of the directors then in office, it is hereby

RESOLVED, that Article THIRD of the Articles of Incorporation is amended to read as follows:

The Corporation is organized and shall be operated exclusively as a nonprofit social welfare organization within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended (the "Code"). The purposes of the Corporation are to promote legal reform in the states; to educate citizens about civil justice, legal reform and the importance of the rule of law in American jurisprudence; and for any other lawful purpose for a social welfare organization pursuant to Section 501(c)(4) of the Code (or the corresponding section of any future federal tax code).

In addition, the Corporation shall have all the general power enumerated in Section 29-301.05 of the District of Columbia Nonprofit Corporation Act as now in effect or as may hereafter be amended.

These actions by unanimous written consent may be signed in any number of counterparts, all of which when taken together will constitute one and the same document.

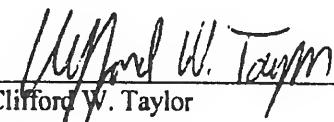
Dated as of: April 30, 2009

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO THE UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS OF

AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF, the undersigned have executed this consent as of the date set forth above.



Clifford W. Taylor

Richard McLellan

Dan Pero

SIGNATURE PAGE TO THE UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS OF

AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF, the undersigned have executed this consent as of the date set forth above.

Clifford W. Taylor

Richard McLellan

Dan Pero

SIGNATURE PAGE TO THE UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS OF

AMERICAN JUSTICE PARTNERSHIP

IN WITNESS WHEREOF, the undersigned have executed this consent as of the date set forth above.

Clifford W. Taylor

Richard McLellan

Dan Pero
Dan Pero



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

Page 11

Enclosure 3

Copies of IRS Form 990s of the Organization
showing expenditures relating to agreement with Pero Consulting, Inc.

Please see attached.

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization or agency (with the consent (written or private indication))

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2005 calendar year, or tax year beginning

and ending

<input type="checkbox"/> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		C Name of organization AMERICAN JUSTICE PARTNERSHIP		D Employer identification number 20-2222409	
<input type="checkbox"/> Please use IRS label or print or type <input type="checkbox"/> See Specific Instructions.		Number and street (or P.O. box if mail is not delivered to street address) 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004		Room/suite Telephone number 100-27-3000	
Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).				F Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	
G Website: ► WWW.AMERICANJUSTICEPARTNERSHIP.ORG					
J Organization type (check only one) ► <input checked="" type="checkbox"/> 501(c)(6) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
K Check here ► <input type="checkbox"/> if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.					
L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 2,571,811.					
H and I are not applicable to section 527 organizations.					
H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
H(b) If "Yes," enter number of affiliates ► N/A					
H(c) Are all affiliates included? N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <small>(If "No," attach a list.)</small>					
H(d) Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
I Group Exemption Number ► N/A					
M Check ► <input type="checkbox"/> if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).					
Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances					
1 Contributions, gifts, grants, and similar amounts received: a Direct public support 1a 2,571,811. b Indirect public support 1b c Government contributions (grants) 1c d Total (add lines 1a through 1c) (cash \$ 2,571,811. noncash \$) 1d 2,571,811.					
2 Program service revenue including government fees and contracts (from Part VII, line 93) 2 3 Membership dues and assessments 3 4 Interest on savings and temporary cash investments 4 5 Dividends and interest from securities 5 6 a Gross rents 6a b Less: rental expenses 6b c Net rental income or (loss) (subtract line 6b from line 6a) 6c 7 Other investment income (describe) 7					
8 a Gross amount from sales of assets other than inventory (A) Securities 8a (B) Other 8b b Less: cost or other basis and sales expenses 8c c Gain or (loss) (attach schedule) 8d d Net gain or (loss) (combine line 8c, columns (A) and (B)) 8d					
9 Special events and activities (attach schedule). If any amount is from gaming, check here ► <input type="checkbox"/> a Gross revenue (not including \$ of contributions reported on line 1a) 9a b Less: direct expenses other than fundraising expenses 9b c Net income or (loss) from special events (subtract line 9b from line 9a) 9c					
10 a Gross sales of inventory, less returns and allowances 10a b Less: cost of goods sold 10b c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) 10c					
11 Other revenue (from Part VII, line 103) 11					
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) 12 2,571,811.					
13 Program services (from line 44, column (B)) 13 14 Management and general (from line 44, column (C)) 14 15 Fundraising (from line 44, column (D)) 15 16 Payments to affiliates (attach schedule) 16 17 Total expenses (add lines 16 and 44, column (A)) 17 1,674,778. 18 Expenses related to the year (subtract line 17 from line 12) 18 897,033. 19 Net assets or fund balances at the beginning of the year 19 20 Add: Increase in net assets or fund balances during the year 20 21 Add: Decrease in net assets or fund balances during the year 21 807,033.					

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) ... (cash \$ 1,039,992 noncash \$ 0.) If this amount includes foreign grants, check here ► <input type="checkbox"/>	22 1,039,992.		STATEMENT 2	
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc.	25 0.			
26 Other salaries and wages	26			
27 Pension plan contributions	27			
28 Other employee benefits	28			
29 Payroll taxes	29			
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32 6,761.			
33 Supplies	33			
34 Telephone	34 1,412.			
35 Postage and shipping	35 188.			
36 Occupancy	36 2,700.			
37 Equipment rental and maintenance	37			
38 Printing and publications	38 6,057.			
39 Travel	39 33,334.			
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42 288.			
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e _____	43e			
f _____	43f			
g SEE STATEMENT 1	43g 584,046.			
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 1,674,778.			

Joint Costs. Check ► if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ► Yes NoIf "Yes," enter (i) the aggregate amount of these joint costs \$ N/A : (ii) the amount allocated to Program services \$ N/A :(iii) the amount allocated to Management and general \$ N/A and (iv) the amount allocated to Fundraising \$ N/A

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	2,571,811.
b	Amounts included on line a but not on Part I, line 12:	b	
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify): _____ Add lines b1 through b4	b4	
c	Subtract line b from line a	c	2,571,811.
d	Amounts included on Part I, line 12, but not on line a:	d	
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): _____ Add lines d1 and d2	d2	
e	Total revenue (Part I, line 12). Add lines c and d ►	e	2,571,811.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	1,674,778.
b	Amounts included on line a but not on Part I, line 17:	b	
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): _____ Add lines b1 through b4	b4	
c	Subtract line b from line a	c	1,674,778.
d	Amounts included on Part I, line 17, but not on line a:	d	
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): _____ Add lines d1 and d2	d2	
e	Total expenses (Part I, line 17). Add lines c and d ►	e	1,674,778.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
DAN PERO 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	PRESIDENT 1.00	0.	0.	0.
STEVE HANTLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	CHAIRMAN 1.00	0.	0.	0.
JOHN ENGLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.
LEANNE WILSON 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.

Form 990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2006

Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung

benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2006 calendar year, or tax year beginning

and ending

B Check if applicable

Please use IRS label or print or type.

- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

C Name of organization

AMERICAN JUSTICE PARTNERSHIP

Number and street (or P.O. box if mail is not delivered to street address)

1331 PENNSYLVANIA AVENUE, NW

D Employer identification number

05-022409

E Telephone number

202-637-3000

F Accounting method

Cash Other (specify) ►

- Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Website: ► WWW.AMERICANJUSTICEPARTNERSHIP.ORG

J Organization type (check only one) ► 501(c)(6) (Insert no.) 4947(a)(1) or 527

K Check here ► If the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ► N/A

H(c) Are all affiliates included? N/A Yes No

(If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ► N/A

M Check ► if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 6,703,786.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

1	Contributions, gifts, grants, and similar amounts received:		
a	Contributions to donor advised funds	1a	
b	Direct public support (not included on line 1a)	1b	6,629,846.
c	Indirect public support (not included on line 1a)	1c	
d	Government contributions (grants) (not included on line 1a)	1d	
b	Total (add lines 1a through 1d) (cash \$ 6,629,846. noncash \$)	1e	6,629,846.
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	73,940.
5	Dividends and interest from securities	5	
6 a	Gross rents	6a	
b	Less: rental expenses	6b	
c	Net rental income or (loss). Subtract line 6b from line 6a	6c	
7	Other investment income (describe) ►	7	
8 a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
b	Less: cost or other basis and sales expenses	8a	
c	Gain or (loss) (attach schedule)	8b	
d	Net gain or (loss). Combine line 8c, columns (A) and (B)	8c	
9	Special events and activities (attach schedule). If any amount is from gaming, check here ► <input type="checkbox"/>	8d	
a	Gross revenue (not including \$ of contributions reported on line 1b)	9a	
b	Less: direct expenses other than fundraising expenses	9b	
c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c	
10 a	Gross sales of inventory, less returns and allowances	10a	
b	Less: cost of goods sold	10b	
c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c	
11	Other revenue (from Part VII, line 103)	11	
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	6,703,786.
13	Program services (from line 44, column (B))	13	
14	Management and general (from line 44, column (C))	14	
15	Fundraising (from line 44, column (D))	15	
16	Payments to affiliates (attach schedule)	16	
17	Total expenses. Add lines 16 and 44, column (A)	17	6,583,915.
18	Excess of (1) over (2) for the year. Subtract line 17 from line 12	18	119,871.
19	Net assets or fund balances at beginning of year (line 15, 16, and 21)	19	397,033.
20	Other changes in net assets or fund balances (attach schedule)	20	0.
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	1,016,904.

Form 990 - For Privacy Act and Paperwork Reduction Act notice, see the separate instructions.

100-950-0004

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule)				
(cash \$ <u>0</u> = noncash \$ <u>0</u>)				
If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (attach schedule) (cash \$ <u>5,711,000</u> , noncash \$ <u>0</u>)				
If this amount includes foreign grants, check here <input type="checkbox"/>	22b	5,711,000.		
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	300,000.		
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0.		
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26			
27 Pension plan contributions not included on lines 25a, b, and c	27			
28 Employee benefits not included on lines 25a - 27	28			
29 Payroll taxes	29			
30 Professional fundraising fees	30	128,727.		
31 Accounting fees	31	5,446.		
32 Legal fees	32			
33 Supplies	33			
34 Telephone	34	2,196.		
35 Postage and shipping	35	6,079.		
36 Occupancy	36	3,600.		
37 Equipment rental and maintenance	37			
38 Printing and publications	38	2,934.		
39 Travel	39	45,539.		
40 Conferences, conventions, and meetings	40	30,000.		
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42	576.		
43 Other expenses not covered above (itemize):				
a <u>BANK AND PAYROLL FEES</u>	43a	140.		
b <u>INSURANCE</u>	43b	2,185.		
c <u>SERVICE FEES</u>	43c	337,146.		
d <u>MISCELLANEOUS</u>	43d	2,372.		
e <u>MEMBERSHIP FEES</u>	43e	5,975.		
f	43f			
g	43g			
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15.)	44	6,583,915.		
Joint Costs. Check <input type="checkbox"/> if you are following FCP 33-2.				
If the organization can be deducted for management and fundraising purposes, check (B) <input type="checkbox"/> if yes, <input checked="" type="checkbox"/> if no.				
If the organization can be deducted for management and fundraising purposes, check (C) <input type="checkbox"/> if yes, <input checked="" type="checkbox"/> if no.				
If the organization can be deducted for management and fundraising purposes, check (D) <input type="checkbox"/> if yes, <input checked="" type="checkbox"/> if no.				

STATEMENT 1

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	6,703,786.
b	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify): Add lines b1 through b4	b4	
c	Subtract line b from line a	b	0.
d	Amounts included on Part I, line 12, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): Add lines d1 and d2	d2	
e	Total revenue (Part I, line 12). Add lines c and d	d	0.
e	6,703,786.	e	6,703,786.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	6,583,915.
b	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): Add lines b1 through b4	b4	
c	Subtract line b from line a	b	0.
d	Amounts included on Part I, line 17, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): Add lines d1 and d2	d2	
e	Total expenses (Part I, line 17). Add lines c and d	d	0.
e	6,583,915.	e	6,583,915.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
DAN PERO 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	PRESIDENT-CONSULTANT 1.00	300,000.	0.	0.
STEVE HANTLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	CHAIRMAN 1.00	0.	0.	0.
JOHN ENGLER 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.
LEANNE WILSON 1331 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004	DIRECTOR 1.00	0.	0.	0.

Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2007

Open to Public
Inspection

A For the 2007 calendar year, or tax year beginning

and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminating <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization AMERICAN JUSTICE PARTNERSHIP	D Employer identification number 20-2222409
	Number and street (or P.O. box if mail is not delivered to street address) 1331 PENNSYLVANIA AVENUE, NW	E Telephone number 202-637-3000
	City or town, state or country, and ZIP + 4 WASHINGTON, DC 20004	F Accounting method Cash <input type="checkbox"/> Accrual Other (specify) ►

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts
must attach a completed Schedule A (Form 990 or 990-EZ).

G Website: ► WWW.AMERICANJUSTICEPARTNERSHIP.ORG

J Organization type (check only one) ► 501(c)(6) (Insert no.) 4947(a)(1) or 527K Check here ► if the organization is not a 509(a)(3) supporting organization and its gross
receipts are normally not more than \$25,000. A return is not required, but if the organization
chooses to file a return, be sure to file a complete return.

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ► N/A

H(c) Are all affiliates included? N/A Yes No
(If "No," attach a list.)H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ► N/A

M Check ► if the organization is not required to attach
Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 3,591,946.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

1 Contributions, gifts, grants, and similar amounts received: a Contributions to donor advised funds b Direct public support (not included on line 1a) c Indirect public support (not included on line 1a) d Government contributions (grants) (not included on line 1a) e Total (add lines 1a through 1d) (cash \$ 3,528,426. noncash \$)...	1a 1b 3,528,426. 1c 1d	1e 3,528,426.
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	3
3 Membership dues and assessments	4	63,520.
4 Interest on savings and temporary cash investments	5	
5 Dividends and interest from securities	6c	
6 a Gross rents b Less: rental expenses c Net rental income or (loss). Subtract line 6b from line 6a	6a 6b	7
7 Other investment income (describe) ►		
8 a Gross amount from sales of assets other than inventory b Less: cost or other basis and sales expenses c Gain or (loss) (attach schedule) d Net gain or (loss). Combine line 8c, columns (A) and (B)	(A) Securities 8a 8b 8c	(B) Other 8d
9 Special events and activities (attach schedule). If any amount is from gaming, check here ► <input type="checkbox"/>	9a 9b	9c
10 a Gross sales of inventory, less returns and allowances b Less: cost of goods sold c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10a 10b	10c
11 Other revenue (from Part VII, line 103)	11	12
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	3,591,946.	
13 Program services (from line 44, column (B))	13	
14 Management and general (from line 44, column (C))	14	
15 Fundraising (from line 44, column (D))	15	
16 Payments to affiliates (attach schedule)	16	
17 Total expenses. Add lines 16 and 44, column (A)	17 3,221,666.	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18 370,280.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19 1,016,904.	
20 Other changes in net assets or fund balances (attach explanation)	20 0.	
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21 1,387,184.	

TAXPAYER'S COPY

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) <input type="checkbox"/> (cash \$ 0 - noncash \$ 0.) If this amount includes foreign grants, check here ► <input type="checkbox"/>			STATEMENT 1	
22b Other grants and allocations (attach schedule) (cash \$ 2378000 - noncash \$ 0.) If this amount includes foreign grants, check here ► <input type="checkbox"/>	2,378,000.			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	334,992.		
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0.		
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26			
27 Pension plan contributions not included on lines 25a, b, and c	27			
28 Employee benefits not included on lines 25a - 27	28			
29 Payroll taxes	29			
30 Professional fundraising fees	30	154,331.		
31 Accounting fees	31	11,223.		
32 Legal fees	32	76,330.		
33 Supplies	33			
34 Telephone	34	2,179.		
35 Postage and shipping	35	934.		
36 Occupancy	36	3,600.		
37 Equipment rental and maintenance	37			
38 Printing and publications	38	250.		
39 Travel	39	79,041.		
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42	576.		
43 Other expenses not covered above (itemize):				
a BANK AND PAYROLL FEES	43a	20.		
b INSURANCE	43b	4,490.		
c MISCELLANEOUS	43c	67,135.		
d MEMBERSHIP FEES	43d	8,050.		
e CONSULTING FEES	43e	100,515.		
f	43f			
g	43g			
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D) carry these totals to lines 13-15)	44	3,221,666.		
Joint Costs. Check ► <input type="checkbox"/> if you are following SOP 98-2.				
a) the costs from a combined educational and legal and fund raising solicitation reported in (B) Program services? ► <input type="checkbox"/> Yes (X) No				
b) the (i) the aggregate amount of these joint costs \$ N/A (ii) the amount allocated to Program services \$ N/A (iii) the amount allocated to Management and general \$ N/A (iv) the amount allocated to Fundraising \$ N/A				

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	3,591,946.
b	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify): _____	b4	
	Add lines b1 through b4	b	0.
c	Subtract line b from line a	c	3,591,946.
d	Amounts included on Part I, line 12, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): _____	d2	
	Add lines d1 and d2	d	0.
e	Total revenue (Part I, line 12). Add lines c and d	e	3,591,946.
Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return			
a	Total expenses and losses per audited financial statements	a	3,221,666.
b	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): _____	b4	
	Add lines b1 through b4	b	0.
c	Subtract line b from line a	c	3,221,666.
d	Amounts included on Part I, line 17, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): _____	d2	
	Add lines d1 and d2	d	0.
e	Total expenses (Part I, line 17). Add lines c and d	e	3,221,666.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2008

Open to Public
Inspection

A For the 2008 calendar year, or tax year beginning		, 2008, and ending		, 20	
<input checked="" type="checkbox"/> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input checked="" type="checkbox"/> Application pending		C Name of organization AMERICAN JUSTICE PARTNERSHIP Doing Business As Number and street (or P.O. box if mail is not delivered to street address) 4900 MASSACHUSETTS AVENUE, N. W. Room/suite 220 City or town, state or county, and ZIP + 4 WASHINGTON, DC 20016-4358 F Name and address of principal officer: DAN PERO 4900 MASSACHUSETTS AVE. N.W. WASHINGTON, DC 20016		D Employer identification number 20-2222409 E Telephone number (202) 362-1535 G Gross receipts \$ 2,785,250. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ►	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (4) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
J Website: ► WWW.AMERICANJUSTICEPARTNERSHIP.ORG					
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►		L Year of formation: 2005 M State of legal domicile: DC			

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: LEGAL REFORM, REDUCE FRIVOLOUS LAWSUITS, EDUCATE CITIZENS ABOUT THE IMPORTANCE OF THE RULE OF LAW.			
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.			
Revenue	3 Number of voting members of the governing body (Part VI, line 1a)	3	5	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5	
	5 Total number of employees (Part V, line 2a)	5	NONE	
	6 Total number of volunteers (estimate if necessary)	6		
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	NONE	
	b Net unrelated business taxable income from Form 990-T, line 34	7b	NONE	
Expenses	8 Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year	
	9 Program service revenue (Part VIII, line 2g)	3,528,426.	2,755,000.	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	63,520.	30,250.	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		NONE	
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,591,946.	2,785,250.	
Net Assets or Fund Balances	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,378,000.	2,498,000.	
	14 Benefits paid to or for members (Part IX, column (A), line 4)		NONE	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	334,992.	334,992.	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	154,331	132,964.	
	b Total fundraising expenses, Part IX, column (D), line 25 ►	160,342.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	354,343.	504,633.	
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	3,221,666.	3,470,589.	
	19 Revenue less expenses. Subtract line 18 from line 12	370,280.	-685,339.	
	Beginning of Year		End of Year	
	20 Total assets (Part X, line 16)	1,646,757.	734,337.	
	21 Total liabilities (Part X, line 26)	259,573.	32,492.	
	22 Net assets or fund balances. Subtract line 21 from line 20	1,387,184.	701,845.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign
Here

► Signature of officer	Date
► Type or print name and title	

Paid Preparer's Use Only	Preparer's signature ► Firm's name (or yours if self-employed), address, and ZIP + 4 ► ROBERT M. OLSHAN, CPA CHARTERED	Date	Check if self- employed ► <input type="checkbox"/>	Preparer's identifying number (see instructions) 577-56-1781
	4900 MASSACHUSETTS AVENUE, NW #220 WASHINGTON, DC 20016-4358	EIN ►	52-1174783	
		Phone no. ►	202-362-1535	

May the IRS discuss this return with the preparer shown above? (See instructions)

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	2,498,000.	2,498,000.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members	NONE			
5 Compensation of current officers, directors, trustees, and key employees	334,992.	251,244.	66,998.	16,750.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	NONE			
7 Other salaries and wages				
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions)	NONE			
9 Other employee benefits	NONE			
10 Payroll taxes	NONE			
11 Fees for services (non-employees):				
a Management	NONE			
b Legal	NONE			
c Accounting	12,156.		12,156.	
d Lobbying	NONE			
e Professional fundraising services. See Part IV, line 17	132,964.			132,964.
f Investment management fees	NONE			
g Other	NONE			
12 Advertising and promotion	NONE			
13 Office expenses	NONE			
14 Information technology	NONE			
15 Royalties	NONE			
16 Occupancy	3,600.		3,600.	
17 Travel	42,511.	31,883.		10,628.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	NONE			
20 Interest	NONE			
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization	576.		576.	
23 Insurance	4,484.		4,484.	
24 Other expenses (itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a EQUIPMENT MAINT	3,495.		3,495.	
b CONSULTANTS	385,330.	385,330.		
c MEMBERSHIP DUES	7,825.	7,825.		
d BANK FEES	1,863.		1,863.	
e TELECOMMUNICATIONS	2,343.		2,343.	
f All other expenses	40,150.	25,000.	15,450.	
25 Total functional expenses. Add lines 1 through 24f	3,470,589.	3,199,282.	110,965.	160,342.
26 Joint Costs. Check here ► <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

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Enclosure 4

Copy of Consulting Services Agreement
between the Organization and Pero Consulting, Inc.

Please see attached.

CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT (the "Agreement") is made and entered into as of this first day of March, 2005 (the "Effective Date"), by and between the American Justice Partnership ("AJP"), and Pero Consulting, Inc. ("Consultant"). In consideration of the covenants, representations and agreements set forth below, AJP and Consultant hereby agree as follows:

1. Retention as Consultant. AJP hereby retains Consultant, and Consultant hereby agrees to render services to, upon the terms and conditions contained in this Agreement. Upon execution of this Agreement Consultant will assume the title and role of *President, the American Justice Partnership*.

2. Term of the Agreement. The initial term of this Agreement (the "Term") shall commence on the Effective Date and terminate on March 31, 2006 unless terminated sooner as provided herein. The Term may be extended by mutual consent of the parties.

3. Services to be Provided by Consultant. During the Term of this Agreement, Consultant shall provide certain services as specified in *Exhibit A Scope of Services* attached hereto and incorporated herein by reference (the "Services").

4. Administrative Services Provided by NAM. During the Term of this Agreement, AJP will provide Consultant with adequate office space at the National Association of Manufacturers corporate headquarters when Consultant is working in Washington DC. Consultant will have access to and supervisory responsibility over appropriate clerical support to be provided and paid for by AJP.

5. Compensation. As sole compensation for the Services to be provided by Consultant to AJP, AJP shall pay Consultant a contract payment of \$300,000 for the 12 months of this agreement, payable in monthly installments of \$25,000 paid on the first day of each month. The first payment will be due April 1, 2005.

6. Expenses. Upon receipt of itemized vouchers and receipts submitted to AJP, in accordance with NAM's procedures then in effect, as adopted by AJP, AJP shall reimburse Consultant for all reasonable and necessary business expenses incurred by Consultant in connection with the performance of the Services.

7. Termination of Agreement.

7.1 AJP may terminate this Agreement, in its sole discretion and with or without cause, on thirty (30) calendar day's prior written notice to Consultant.

7.2 Either party may immediately terminate this Agreement upon written notice to the other party in the event either party is in default of any term of this Agreement and fails to cure such default within twenty (20) calendar days after receipt of written notice of such default.

7.3 In the event of such termination as set forth in this Section 7, Consultant shall not be entitled to any compensation other than the undisputed amounts owed under this Agreement before such termination, and in no event shall AJP be liable to Consultant for any direct, indirect, special or consequential damages, lost profits, or costs arising out of such termination.

7.4 The parties' obligations under this Agreement as set forth in Sections 7 through 14 shall survive the termination or expiration of this Agreement.

8. Covenant Not to Solicit, Confidentiality and Trade Secrets.

8.1 Covenant Not to Solicit. Consultant shall not, during the Term of this Agreement and for a period of one (1) year immediately following the termination of this Agreement, or any extension thereof, for any reason, either directly or indirectly solicit or take away or attempt to solicit or take away any of AJP or NAM's employees or contractors either for Consultant or for any other person or entity.

8.2 Confidentiality. Consultant acknowledges and agrees that before and during the Term of this Agreement, Consultant has and will become privy to important proprietary, confidential business information and trade secrets that are the exclusive property of NAM working in conjunction with the AJP. This information includes, without limitation, business plans and strategies, marketing concepts, designs, proposals, financial information, costs, pricing information, client lists and contact information, and key relationships and business partners, including their business plans and strategies and financial information (the "Confidential Information"). This Confidential Information derives independent economic value, both actual and potential, from not being generally known to the public or to other persons who can obtain economic or other value from its disclosure and use. As NAM has always held the Confidential Information as proprietary, confidential trade secret information and has taken steps to insure that the Confidential Information is not disclosed outside of NAM, the Confidential Information constitutes "trade secrets" under the Uniform Trade Secrets Act. In light of the foregoing, Consultant therefore agrees that: (1) Consultant will not at any time, now or in the future, share, disseminate, disclose, discuss or use the Confidential Information in any way; and (2) upon termination of this Agreement, Consultant will return to NAM or AJP all property, writings and/or documents in his possession or custody belonging to or relating to the affairs of NAM or AJP any of its agents or business partners, or comprising or relating to the Confidential Information.

The restrictions of this Section 8.2 shall not apply to any information of the Consultant that (i) is or becomes (through no improper action or inaction by the Consultant) generally available to the public; (ii) was in his possession or known by him without restriction, prior to receipt from AJP or NAM; (iii) was rightfully disclosed to Consultant by a third party without obligation of confidentiality; (iv) is independently developed by Consultant without reference to the Confidential Information of AJP or NAM; or (v) is subject to disclosure pursuant to a subpoena, judicial or governmental requirement, or order, provided the Consultant has given NAM sufficient prior notice of such subpoena, requirement or order, to permit AJP and NAM a reasonable opportunity to object to the subpoena, requirement or order and allow AJP and NAM the opportunity to seek a protective order or other appropriate remedy.

9. Ownership of Intellectual Property.

9.1 Consultant agrees that all writings, business plans, strategies and all other information and items made exclusively by Consultant (i) during the course of this Agreement, (ii) before the Term of this Agreement but made in connection with the Services, or (iii) otherwise arising from the Services (hereinafter referred to, collectively, as the "Work Product") shall be and are hereby assigned to AJP as its sole and exclusive property. Upon AJP's request Consultant agrees to assist AJP, at AJP's expense, to obtain copyrights for such Work Product, including the disclosure of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, and assignments, and all other instruments and papers which NAM shall deem necessary to apply for and to assign or convey to AJP, its successors and assigns or nominees, the sole and exclusive right, title and interest in such Work Product.

9.2 Consultant hereby acknowledges and agrees any and all copyrightable works created by Consultant in connection with the performance of the Services, alone or with others, during the Term of this Agreement, or before the Term of this Agreement but was made in connection with the Services, shall be deemed to have been specially ordered or commissioned and, as such, shall be deemed to be "works for hire" under the United States copyright laws from the inception or creation of such works. In the event that any

such works shall be deemed by a court of competent jurisdiction not to be a "work made for hire," this Agreement shall operate as an irrevocable assignment by Consultant to AJP of all right, title and interest in and to such works, including without limitation, all worldwide copyright interests therein, in perpetuity. The fact that such copyrightable works are created by Consultant outside of AJP's facilities or other than during Consultant's working hours with AJP, shall not diminish AJP's rights with respect to such works which otherwise fall within this subsection. Consultant agrees to execute and deliver to AJP any such further instruments or documents as may be requested by AJP in order to effectuate the purposes of this subsection.

9.3 Consultant represents and warrants that all work to be delivered by Consultant under this Agreement will not violate or in any way infringe any copyright or misappropriate any trade secret of any third party. Consultant shall indemnify and hold harmless (including payment of reasonable attorneys' fees) AJP and its directors, officers, employees and agents (each of the foregoing being referred to individually as an "Indemnified Party") for any claim, loss or liability to third parties (other than such claim, loss or liability solely the fault of the Indemnified Party) arising from or in connection with the Consultant's breach of this Section 9.3 of this Agreement.

10. Indemnification of Consultant. AJP shall indemnify and hold harmless (including payment of reasonable attorneys' fees) Consultant and his agents (each of the foregoing being referred to individually as an "Indemnified Party") for any claim, loss or liability to third parties (other than such claim, loss or liability solely the fault of the Indemnified Party) arising from or in connection with the Services Consultant provides to AJP during the Term of this Agreement.

11. Relationship of the Parties.

11.1 Consultant enters into this Agreement as, and shall continue to be, an independent contractor. The parties agree that no employment relationship, partnership, joint venture or other association shall be deemed created by this Agreement. Under no circumstances shall Consultant look to AJP an employer, or as a partner, agent, or principal. The manner and means of handling the projects undertaken by Consultant shall be under the sole control of Consultant.

11.2 Consultant shall have the entire responsibility to discharge any and all obligations under federal, state or local laws, regulations or orders now or hereafter in effect, relating to taxes, unemployment compensation or insurance, social security, workers' compensation, disability pensions and tax withholdings (the "Tax Obligations"). Consultant hereby agrees to indemnify and hold AJP and the NAM as the provider of all financial and accounting services to AJP, harmless for any and all claims, losses, costs, fees, liabilities, damages or injuries suffered by AJP or NAM arising out of Consultant's failure to properly discharge the Tax Obligations.

12. Severability and Governing Law.

12.1 Should any of the provisions in this Agreement be declared or be determined to be illegal or invalid, all remaining parts, terms or provisions shall be valid, and the illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.

12.2 This Agreement is made and entered into in the District of Columbia and shall in all respects be interpreted, enforced and governed under the laws of the District of Columbia without regard to its conflict of law provisions.

13. Entire Agreement. This Agreement is the entire agreement between Consultant and AJP and fully supersedes any and all prior agreements or understandings between the parties pertaining to its subject matter.

14. Legal Costs and Expenses. If any action or proceeding is brought to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover all of its reasonable costs and expenses incurred in such proceeding, including but not limited to, reasonable attorneys' fees.

15. Notices. All notices, requests, demands and other communications called for or contemplated under this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered, on the date of transmission if sent by facsimile, on the third day after mailing if mailed to the party to whom notice is to be given, by first class mail, postage prepaid, and properly addressed as followed:

If to NAM: LeAnne Wilson
1331 Penn Ave NW Ste 600, Wash DC 20004

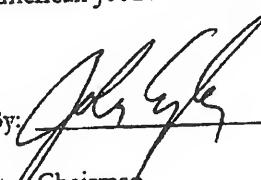
If to Consultant: Pero Consulting, Inc.
10058 Oak Island Drive, Laingsburg, MI 48848

Amendments. This Agreement may not be amended, supplemented, canceled, or discharged except by written instrument executed by the parties hereto.

16. Waivers. All waivers hereunder shall be in writing. No waiver by any party hereto of any breach or anticipated breach of any provision of this Agreement by any other party shall be deemed a waiver of any other contemporaneous, preceding, or succeeding breach or anticipated breach, whether or not similar, on the part of the same or any other party.

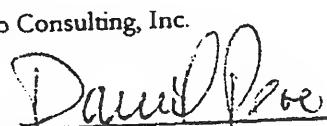
IN WITNESS WHEREOF, the parties hereto have hereby executed this Agreement as of the day and year first written above.

American Justice Partnership

By: 

Its: Chairman

Pero Consulting, Inc.

By: 

Its: President

Exhibit A
Scope of Services

Consultant shall develop, implement and execute a strategic plan for *The American Justice Partnership* as that project is defined by AJP and its Project Chairman. Services shall include the following activities:

- Planning and management of state legislative and public education initiatives and issue advocacy projects in targeted states;
- Serving as project liaison with legal reform organizations including but not limited to ATRA and the Manhattan Institute, state associations such as state chambers of commerce and manufacturers associations, campaign committees as allowed by law, and other relevant entities; and
- Assisting the Chairman in fundraising activities as requested.

Consultant agrees not to delegate the Services to any subcontractors or agents of Consultant unless approved in writing in advance by AJP. Consultant shall determine the manner, method and means by which the Services will be provided and shall have full control over all AJP and NAM employees assigned to *The American Justice Partnership* and any other persons employed or retained by Consultant for the purpose of providing Services under this Agreement.



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

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Enclosure 5

Copy of Letter from Internal Revenue Service
dated December 3, 2009

Please see attached.

Internal Revenue Service
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Department of the Treasury

DEC 11 2009

Date: December 3, 2009

American Justice Partnership
C/O Cleta Mitchell, Esq.
Foley & Lardner LLP
3000K Street NW, Sixth Floor
Washington, DC 20007

Employer Identification Number:

20-2222409

Person to Contact - Group #:

Gerry McLaughlin - 7827

ID# 1000203235

513-263-3590 Phone

513-263-4488 Fax

Response Due Date:

December 28, 2009

Dear Sir or Madam:

We need more information before we can complete our consideration of your application for exemption. Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on your application. Also, the information you submit should be accompanied by the following declaration:

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

To facilitate processing of your application, **please attach a copy of this letter to your response.** This will enable us to quickly and accurately associate the additional documents with your case file.

If we do not hear from you within that time, we will assume you no longer want us to consider your application for exemption and will close your case. As a result, the Internal Revenue Service will treat you as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new application.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Gerry McLaughlin
Exempt Organizations Specialist

Enclosure: Information Request

American Justice Partnership
20-2222409

Additional Information Requested:

1. Please have an officer sign and date the enclosed statement.
2. The Articles of Incorporation does not show proof that they have been filed with the District of Columbia. Since you are a corporation, you must submit a complete copy of your Articles of Incorporation and any amendments thereto that show evidence that they have been filed with and approved by the State in which you are incorporated.
3. Please submit a copy of the agreement between your organization and Foley & Lardner LLP. Also send a copy of the agreement between your organization and the Pero Consulting, Inc. To determine whether the transaction is truly arm's length, please respond to the following:
4. Was the transaction between related parties?
5. Who signed the agreement?
6. Who was involved in the decision-making process-interested parties or independent parties?
7. Who set the terms of the agreement, and how?
8. What was the basis of the decision?

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:

Internal Revenue Service
Exempt Organizations
P. O. Box 2508
Cincinnati, OH 45201
ATT: Gerry McLaughlin
Room 4522
Group 7827

Street Address:

Internal Revenue Service
Exempt Organizations
550 Main St, Federal Bldg.
Cincinnati, OH 45202
ATT: Gerry McLaughlin
Room 4522
Group 7827

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

Signature of Officer

Date



FOLEY & LARDNER LLP

Ms. Gerry McLaughlin

January 11, 2010

Page 14

Enclosure 6

Copy of Letter from Foley & Lardner LLP to
Internal Revenue Service dated December 24, 2009
Requesting Additional Time for Submission of Response

Please see attached.



FOLEY & LARDNER LLP

ATTORNEYS AT LAW

WASHINGTON HARBOUR
3000 K STREET, N.W.
SUITE 600
WASHINGTON, D.C. 20007-5109
202.672.5300 TEL
202.672.5399 FAX
foley.com

WRITER'S DIRECT LINE
202.295.4081
cmitchell@foley.com EMAIL

CLIENT/MATTER NUMBER
999100-0130

December 24, 2009

**CERTIFIED MAIL-RETURN RECEIPT REQUESTED
AND FACSIMILE: (513) 263-4488**

Ms. Gerry McLaughlin – 7827
ID # 1000203235
Exempt Organization Specialist
Internal Revenue Service
PO Box 2508 - Room 4522
Cincinnati, OH 45201

Re: RE: Application for Exempt Status
American Justice Partnership - EIN#20-2222409

Dear Ms. McLaughlin:

The undersigned serves as counsel to the above-referenced organization, American Justice Partnership. We are in receipt of your letter dated December 3, 2009 requesting additional information.

We are in the process of locating the additional documents requested, but are in need of additional time to locate the records you have requested in order to respond fully. We are therefore requesting an extension of time to submit the requested response.

I have tried calling the telephone number listed on your letter (513-263-3590) but receive only a disconnected message. I am assuming the fax number listed on the letter (513-263-4488) is in service but to be certain that your office receives this response and request for additional time, I am also sending this via certified mail.

Please contact me at (202) 295-4081 should you have additional questions. We will submit the completed response no later than thirty days of the initial requested date for responding, or January 28, 2010. Thank you for your assistance.

Sincerely,

Cleta Mitchell

Cleta Mitchell, Esq.
CAF # 03-0004041R

BOSTON
BRUSSELS
CHICAGO
DETROIT

JACKSONVILLE
LOS ANGELES
MADISON
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NEW YORK
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SAN DIEGO/DEL MAR
SAN FRANCISCO
SHANGHAI

SILICON VALLEY
TALLAHASSEE
TAMPA
TOKYO
WASHINGTON, D.C.

Internal Revenue Service
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Department of the Treasury

Date: February 17, 2010

American Justice Partnership
C/O Cleta Mitchell, Esq.
Foley & Lardner LLP
3000K Street NW, Sixth Floor
Washington, DC 20007

Dear Sir or Madam:

Thank you for the information recently submitted regarding your application for exemption. Unfortunately, we need more information before we can complete our consideration of your application.

Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on the application. Also, the information you submit should be accompanied by the following declaration:

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

To facilitate processing of your application, **please attach a copy of this letter to your response.**

If you do not provide the requested information in a timely manner, we will assume that you do not want us to consider your application further and will close your case.

If you do not respond to the information request by the due date, we will conclude that you have not taken all the steps necessary to complete your application for exemption. Under section 7428(b)(2) of the Code, you must show that you have taken all the reasonable steps to obtain your exemption letter under IRS procedures in a timely manner and exhausted your administrative remedies before you can pursue a declaratory judgment. Accordingly, if you fail to timely provide the information we need to enable us to act on your application, you may lose your right to a declaratory judgment under Code section 7428.

If you have any questions concerning this matter, or you cannot respond by the due date, please contact the person whose name and telephone number are shown in the heading of this letter.

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

Signature of Officer

Date

Internal Revenue Service
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Department of the Treasury

Date: February 17, 2010

American Justice Partnership
C/O Cleta Mitchell, Esq.
Foley & Lardner LLP
3000K Street NW, Sixth Floor
Washington, DC 20007

Dear Sir or Madam:

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Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

To facilitate processing of your application, **please attach a copy of this letter to your response.**

If you do not provide the requested information in a timely manner, we will assume that you do not want us to consider your application further and will close your case.

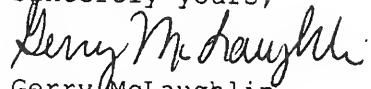
If you do not respond to the information request by the due date, we will conclude that you have not taken all the steps necessary to complete your application for exemption. Under section 7428(b)(2) of the Code, you must show that you have taken all the reasonable steps to obtain your exemption letter under IRS procedures in a timely manner and exhausted your administrative remedies before you can pursue a declaratory judgment. Accordingly, if you fail to timely provide the information we need to enable us to act on your application, you may lose your right to a declaratory judgment under Code section 7428.

If you have any questions concerning this matter, or you cannot respond by the due date, please contact the person whose name and telephone number are shown in the heading of this letter.

Page 2

American Justice Partnership
20-2222409

Sincerely yours,



Gerry McLaughlin

Exempt Organizations Specialist

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

Signature of Officer

Date



FOLEY & LARDNER LLP

ATTORNEYS AT LAW
WASHINGTON HARBOUR
3000 K STREET, N.W.
SUITE 600
WASHINGTON, D.C. 20007-5109
202.672.5300 TEL
202.672.5399 FAX
foley.com

March 11, 2010

WRITER'S DIRECT LINE
202.295.4081
cmitchell@foley.com EMAIL

CLIENT/MATTER NUMBER
999100-0130

VIA FACSIMILE AND FEDERAL EXPRESS

Ms. Gerry McLaughlin
Department of the Treasury
Internal Revenue Service
Exempt Organizations
550 Main St., Federal Building
Room 4522, Group 7827
Cincinnati, Ohio 45202
Fax: (513) 263-4488

TE/GE, Processing
Correspondence
RECEIVED

MAR 12 2010

INTERNAL REVENUE SERVICE
Cincinnati, Ohio

Re: American Justice Partnership
Employer Identification Number: 20-2222409

Dear Ms. McLaughlin:

This letter responds to your request for additional information regarding American Justice Partnership (the "Organization"). For your convenience, each of your questions is set forth below, followed by the organization's response.

1. Please have an officer that is listed on page 2 of your application sign and date the enclosed statement.

Mr. Dan Pero, President of the Organization, has signed and dated the enclosed statement, attached as Enclosure #1. In addition, the Organization also attaches the original letter from your office to the Organization as Enclosure #2.

2. Please note that we are not asking you questions regarding the Schedule R to Form 990. We are asking you questions regarding your contracts and agreements between your organization and officers or your organization as part of your application Form 1024 submission.

Did you consider any other consulting firms? If so, please explain.

When the American Justice Partnership was originally envisioned in 2005 by former Michigan Governor John Engler, his idea was to build a national grassroots effort to encourage, train and support business leaders and business organizations in the states to develop both long-range and targeted programs to enact changes in the tort laws of the states,

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March 11, 2010
Page 2

following the pattern and example that had been so successful in Michigan during his tenure as Michigan governor.

In other words, the goal was to follow Michigan's example, recognizing that tort reform is a key to every state's economy and fighting the trial lawyers' vested interests requires a multi-pronged effort.

First, business leaders must be educated as to the *costs* to business of frivolous lawsuits.

Next, business leaders must be trained as to how best to communicate the costs of excessive litigation to their businesses and industries, and, in turn, the need for their involvement in the legislative process, helping political and policy leaders to understand those costs.

Then, legislation and policy changes must be developed, communicated, introduced into legislatures and grassroots support must be mobilized for the support of passage of tort reform laws.

Even after laws are changed, the efforts cannot stop. The trial lawyers have been active in every state that has enacted tort reform laws to challenge those laws in the courts and, with many judges selected by the trial bar, business leaders and legislators have watched in dismay as the judiciary time and again has overturned the duly-enacted laws of the states.

Thus, a major effort to educate citizens about the need for citizen participation in judicial selection and elections has been identified as an important step in the process. Supporting pro-reform legislators and attorneys general is also of importance to keep the law changes enacted by one legislature from being wiped off the statute books by a successor legislature.

This template was developed by then-Gov. John Engler in Michigan in the late 1990's and successfully created a growing economy in Michigan. When Governor Engler left office, he and some of his closest advisors felt it was important to teach other states' business and policy leaders how to accomplish and maintain tort reform laws.

American Justice Partnership was created for that purpose in 2005. Gov. Engler and other leaders from Michigan envisioned AJP and specifically *recruited* Dan Pero to take the responsibility of taking Gov. Engler's idea and turning it into a reality by serving as its President. Dan Pero served as Gov. Engler's Chief of Staff and had been the architect of Michigan's tort reform efforts and initiatives.

Your question, "were any other consulting firms considered?" disregards the fact that there have been several national tort reform organizations but *none* were based in the

March 11, 2010

Page 3

states and *none* had the leadership of individuals who understood and had been successful in enacting state-level tort reform and *keeping* those gains as law within the state.

Dan Pero was recruited to serve as the President of AJP. In turn, the decision was made that AJP would operate as a very lean, low overhead organization, with no employees and no 'bricks and mortar'. Dan Pero's responsibilities include three major functions:

1. **Identify state level 'partners' in every state in America.** This requires constant travel by Dan Pero to meet with state business leaders and state business organizations, assessing their capabilities to achieve tort reform and to identify needs at the state level that AJP can help fill. These needs include such things as funding for legislative initiatives, public education, grassroots mobilization and networking among various business groups. AJP is not interested in having its name in the news: the goal is to help bolster the capabilities and effectiveness of the state organizations and AJP's job as 'national partner' is to work behind the scenes with the state leaders to encourage and support their efforts.
2. **Raise money for grants to states in support of their tort reform efforts.** Dan Pero travels and meets with donors, prospective donors and supporters to describe the key targets for tort reform opportunities in the states to assure that the state partners have sufficient resources for whatever battles they face during a particular calendar year.
3. **Develop research and information that can be used in state tort reform efforts.** Dan Pero has identified and retained skilled consultants in targeted fields to assist with specific research and communications on the impact of litigation on America's economy. Visit the American Justice Partnership website for information as to how AJP is making its voice heard in creative ways on these issues.

Dan Pero was tapped for this position because of his knowledge, skill, background and expertise *in the field of tort reform*. A biographical sketch is attached to this letter.

In short, there really isn't anyone else with Dan Pero's capabilities and dedication to this issue who would have better served the organization and the cause of legal reform these past several years.

Did you consider any other legal firms? If so, please explain.

Yes. I am the fourth attorney retained by AJP. The first attorney was a volunteer and, frankly, while the price was right, the reason this Form 1024 was never filed was because she didn't know to prepare and file it. And the Board of Directors didn't realize it hadn't been done until I figured it out last year. The second attorney retained by the organization also didn't file the Form 1024 and was not responsive to the AJP's needs. The organization then retained yet

March 11, 2010

Page 4

another attorney who didn't return phone calls to the organization. In 2006, the organization hired me but only for its compliance responsibilities related to lobbying and state level activities. In late 2008, the organization asked me to take over and review *all* the corporate compliance issues and it was in early 2009 that I received all the corporate records from the previous custodian and at that time realized that the organization had never applied for or received its tax-exempt status.

So, yes, I'm the *fourth* attorney hired by AJP and it is now my job to sort out the failings of the first three who preceded me.

3. Please send copies of any meeting minutes that will show the discussions and decisions to retain the Foley & Lardner LLP and Pero Consulting, Inc.

As I indicated, prior to my being retained by AJP, the organization did meet its basic obligations in terms of its incorporation, bylaws, annual meetings and minutes, but the minutes are very basic and do not reflect "discussions" regarding the decision to retain Pero Consulting, Inc. or Foley & Lardner LLP. The signed contract with Pero Consulting was previously provided – and the description above regarding the creation of the organization and the decision by its founders to *recruit* and retain Dan Pero to run the organization is the best we can do to explain why and how Dan Pero came to be the President and the lead consultant to AJP. The minutes do not contain a discussion of that decision-making process.

The history of the organization and its successes in numerous states are a matter of public record on the AJP website.

4. Based on the activities description on your Form 1024 application your activities appear primarily political. Under Statement of Program Service Accomplishments on your Form 990 you stated "Each activity that we support must meet one of the three goals of AJP. Our support of legislative initiatives in several states helped lead to varying degrees of reform. Our support of partner efforts to advocate for pro-reform candidates for public officers was successful in the support by the public of many pro-reform candidates committed to legal reform agendas."

Please submit a breakdown of your activities. Explain how each activity furthers your exempt purpose. Explain how each activity is conducted in a non-political or political manner. At the end of each activity calculate the percentage of time and revenue that will be dedicated to the activity. When the activities are all listed the percentages should total 100%.

This is NOT a correct assessment of AJP's activities. AJP has as *one* of its activities to support pro-legal reform candidates for state office. However, that is far from its principal or primary purpose. AJP's *primary* purpose is to assist state business leaders and organizations in developing and achieving legislative victories in the field of tort reform, and to communicate to the

March 11, 2010

Page 5

public and legislators the importance of tort reform to a growing economy in the states. Support of pro-legal reform candidates is only a minor part of AJP's activities.

A breakdown of AJP's activities during an average calendar year would consist of the following:

Public Education and Communication Regarding Economic Costs Of Litigation:	40 %
State Partner Development and Support:	40%
Fundraising:	10%
Grants to 527 Organizations for Political Expenditures:	<hr/> 10%
	<hr/> 100%

The best description of *how* AJP conducts each of these objectives can be seen from the attached excerpts from the AJP website. It should be noted that AJP works behind the scenes with many state organization partners and provides technical support and information on an ongoing basis which, in turn, allows the state organizations to achieve legislative, policy and political support. However, there has *never* been a year in which AJP's program expenditures were for political purposes. The mission of AJP is to provide a policy environment where pro-legal reform elected officials can achieve lasting changes to the law.

NOTE: AJP has filed an 1120-POL and paid the political expenditure tax on *all* grants or contributions to 527 organizations for political purposes. AJP does not make direct political expenditures or contributions to candidates.

* * *

If you have any additional questions regarding the Organization or its operations, please do not hesitate to contact me.

Sincerely,



Cleta Mitchell, Esq.
Foley & Lardner LLP
Counsel for American Justice Partnership

Enclosures



March 11, 2010
Page 6

Enclosure 1

Original Statement Signed by Mr. Dan Pero

Please see attached.

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.



Signature of Officer

3/1/10

Date



March 11, 2010
Page 7

Enclosure 2

Copy of Letter from Internal Revenue Service
dated February 17, 2010

Please see attached.

Internal Revenue Service
P.O. Box 2508 - Room 4522
Cincinnati, Ohio 45201

Department of the Treasury

Date: February 17, 2010

American Justice Partnership
C/O Cleta Mitchell, Esq.
Foley & Lardner LLP
3000K Street NW, Sixth Floor
Washington, DC 20007

Employer Identification Number:

20-2222409

Person to Contact - Group #:

Gerry McLaughlin - 7827

ID# 0203235

Contact Telephone Numbers:

513-263-3534 Phone

513-263-4488 Fax

Response Due Date:

March 3, 2010

Dear Sir or Madam:

Thank you for the information recently submitted regarding your application for exemption. Unfortunately, we need more information before we can complete our consideration of your application.

Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on the application. Also, the information you submit should be accompanied by the following declaration:

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If you have any questions concerning this matter, or you cannot respond by the due date, please contact the person whose name and telephone number are shown in the heading of this letter.

FEB 22 2010

Letter 2382

Page 2

American Justice Partnership
20-2222409

Sincerely yours,

Gerry McLaughlin

Gerry McLaughlin

Exempt Organizations Specialist

American Justice Partnership
20-2222409

Additional Information Requested:

1. Please have an officer that is listed on page 2 of your application sign and date the enclosed statement.
2. Please note that we are not asking you questions regarding the Schedule R to Form 990. We are asking you questions regarding your contracts and agreements between your organization and officers of your organization as part of your application Form 1024 submission

Did you consider any other consulting firms? If so, please explain.

Did you consider any other legal firms? If so, please explain

3. Please send copies of any meeting minutes that will show the discussions and decisions to retain the Foley & Lardner LLP and Pero Consulting, Inc.
4. Based on the activities description on your Form 1024 application your activities appear primarily political. Under Statement of Program Service Accomplishments on your Form 990 you stated "Each activity that we support must meet one of the three goals of the AJP. Our support of legislative initiatives in several states helped lead to varying degrees of reform. Our support of partner efforts to advocate for pro-reform candidates for public officers was successful in the support by the public of many pro-reform candidates committed to legal reform agendas."

Please submit a breakdown of your activities. Explain how each activity furthers your exempt purpose. Explain how each activity is conducted in a non-political or political manner. At the end of each activity calculate the percentage of time and revenue that will be dedicated to the activity. When the activities are all listed the percentages should total 100%.

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:
Internal Revenue Service
Exempt Organizations
P. O. Box 2508
Cincinnati, OH 45201
ATT: Gerry McLaughlin
Room 4522
Group 7827

Street Address:
Internal Revenue Service
Exempt Organizations
550 Main St, Federal Bldg.
Cincinnati, OH 45202
ATT: Gerry McLaughlin
Room 4522
Group 7827

American Justice Partnership
20-2222409

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

Signature of Officer

Date



FOLEY & LARDNER LLP

March 11, 2010

Page 8

Enclosure 3

Biography of Dan Pero of Pero Consulting, Inc.

[ABOUT](#) [MISSION](#) [SUCCESSES](#) [THE AJP DIFFERENCE](#) [LEADERSHIP](#) [CEO ALARM](#)

AJP Leadership

Recognizing the glaring need for an organized effort to support legal reform efforts at the state level, Home Depot co-founder Bernie Marcus, former Governor John Engler and nationally recognized legal reform leader Steve Hantler founded AJP. Each brought a unique perspective to AJP allowing them to see the flaws of the legal system and where it needed to be corrected.

Current AJP President Dan Pero brings over 30 years of political and policy experience to the cause. His team of battle tested communication and campaign experts has a proven record of success in going toe-to-toe with the trial bar.



Dan Pero

President, American Justice Partnership

Dan Pero is President of the American Justice Partnership, a nationwide coalition to advocate for legal reform at the state level. Mr. Pero is a leading expert in political campaigns and issues management with more than 30 years experience in state government, grassroots organizing, communications and public affairs and was named Michigan's best Republican political consultant of the past 50 years by the Michigan Political History Society.

In 2004, he was executive director of the highly successful state legal reform effort that has since become the American Justice Partnership, an affiliate of the National Manufacturers Association.

Mr. Pero served as Chief of Staff and Campaign Manager for former three-term Michigan Governor John Engler. The legal reform successes achieved in Michigan are widely viewed as the definitive model for legal reform at the state level.

Mr. Pero managed the 1996 presidential campaign for former Tennessee Governor Lamar Alexander and served as a strategist, media producer and consultant to candidates for President of the United States, U.S. Senate and House of Representatives and for successful ballot initiatives in Texas and Michigan.

He was a founding partner of Sterling Corporation, a public affairs, issues management and political consulting firm based in Lansing, MI. Prior to Sterling, Mr. Pero was Managing Director of the Michigan office of Weber-Shandwick Worldwide, then the largest public relations company in the world, where he provided clients with message development, branding, marketing, communications and strategic counsel.

Previously, Mr. Pero served as vice-president of public affairs for Eckerd Corporation, one of the nation's largest retail drug store companies, where he was corporate spokesperson and managed government and pharmacy relations, directed internal and external communications, and administered Eckerd's political action committee.

He was a member of the Western Michigan University Board of Trustees for 9 years and served as Chairman in 2007. Mr. Pero also was a gubernatorial appointee to the Michigan Judicial Tenure Commission, the Pontiac Stadium Building Authority and the Michigan Film Commission. Mr. Pero has also been an Adjunct Professor at Michigan State University where he taught campaign planning, message development and communications. He earned a Bachelor of Science at Western Michigan University and is a graduate of the Harvard School of State and Local Executives.

Dan lives with his wife, Colleen, and their two children in Lansingburg, Michigan.



March 11, 2010
Page 9

Enclosure 4

Excerpts from American Justice Partnership website
Detailing Major Purpose and Program Activities



ABOUT MISSION SUCCESSES THE AJP DIFFERENCE LEADERSHIP CEO ALARM

Setting A Standard

Free enterprise is facing unprecedented challenges while at the same time America's legal system is a maze of contradictory rules that differ in nearly every state. Businesses may face a predictable and reasonable system in one state but unfairness and uncertainty in another.

These threats and uncertainties hinder job creation, increase costs for consumers and make it harder to earn a fair profit. The current system hurts workers, employers, consumers and even legitimate victims. The only winners are predatory trial lawyers who manipulate the system to their own personal ends. AJP is fighting that.

Mission

The American Justice Partnership works to promote free enterprise and improve the fairness and predictability of the legal environment at the state level.

Achieving our goals

- AJP creates an environment in which entrepreneurs can thrive and legal reform champions can be elected to high offices like governor, legislature, attorney general and state supreme court.
- AJP enacts and protects state legislation that encourages free enterprise and increases fairness and predictability often resulting in more reasonable litigation costs and awards and an improved jobs environment by limiting the abusive lawsuits brought by the trial bar.
- AJP fights lawsuit abuse and Jackpot Justice by opposing bad laws, bad judges and bad lawyers.



ABOUT MISSION SUCCESSES THE AJP DIFFERENCE LEADERSHIP CEO ALARM

Who We Are

The American Justice Partnership is a national organization dedicated to promoting free enterprise and winning legal reform in the states. AJP is run by campaign professionals who achieve results in battles that can deliver a meaningful return on investment. AJP typically enacts programs in partnership with a network of over 60 state and national partners.

What We Do

AJP designs, funds and implements high-impact campaigns to promote free markets and achieve legal reform at the state level. AJP deploys dynamic political programs at critical junctures in support of legislative objectives and free enterprise and legal reform advocates seeking offices like state legislature, attorney general and supreme court.

Why We Partner

We collaborate with any number of over 60 state or national partners on each project. AJP partnerships leverage the best of local knowledge and national expertise into one-of-a-kind campaigns that deliver impact and strengthen local partners while avoiding the mistakes that typify some out-of-state efforts.

How We Win

AJP has nearly a decade of experience in beating the trial bar on major issues. They engage every fight, big or small, with a take-no-prisoners approach. We know their methods and how to fight back. We play to win.

In A Nutshell, We Play Hardball:

- When our help can tip the balance.
- On issues where free markets are threatened and in states where major legal reform legislation is at stake.
- Where the trial bar, unions and other liberal opponents of free enterprise and legal reform engage in elections for the state legislature, attorney general and supreme court.
- Where we have credible local organizations as our partners.

It is this combination of experience, approach and targeting that allows AJP to succeed.

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THE STATES PARTNERS IN ACTION

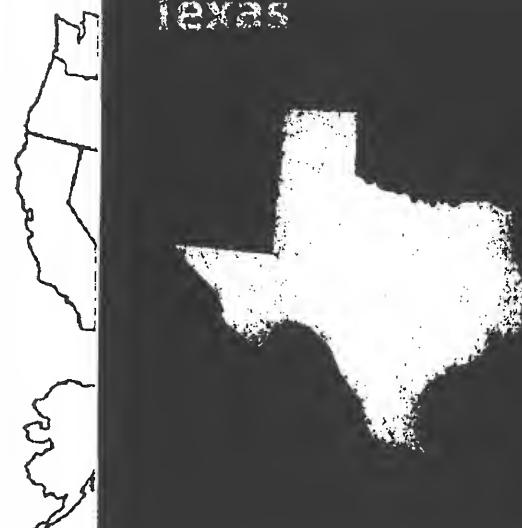
AJP devotes resources where we can make the biggest impact. We are proud to have helped achieve scores of state level reforms since 2004. Take a look at a few of those successes to which we lent our support.

Roll over and click the states to find out more about our state partners and successes.

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American Legislative Exchange Council
American Tort Reform Association
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Center for Legal Policy, The Manhattan Institute
Class Action Watch
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Council for Citizens Against Government Waste
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Politically Active Physicians Association
Washington Legal Foundation

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TEXAS

Successes

CLOSE

2009:

Prevented dozens of trial bar bills from passing including: a bill that would have shifted the burden of medical proof away from plaintiffs and on to defendants in asbestos and mesothelioma cases; an attempt to destroy Texas's successful system of trying multidistrict litigation in a single court; and legislation to allow plaintiffs to sue for "phantom" medical expenses.

2007:

Defensive efforts were largely successful as legal reformers defeated sweeping anti-indemnity, consolidated insurance programs, and qui tam bills.

2005:

Enacted asbestos/silica litigation reform and *forum non conveniens* reform.

Our State Partners

Citizens Against Lawsuit Abuse



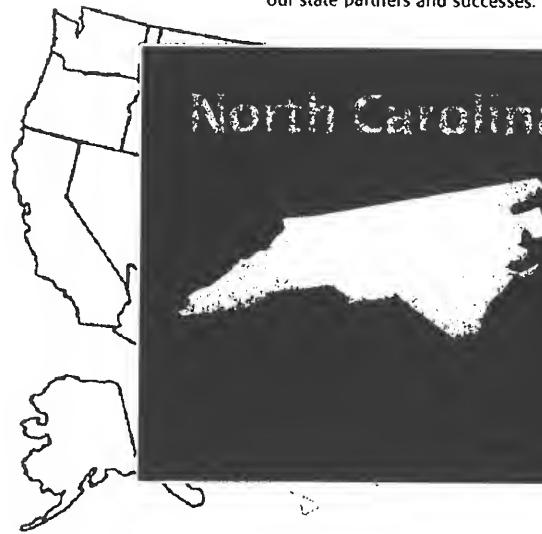
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North Carolina

Successes

2007:

Reformers successfully defeated a measure that would have doubled the amount of time product liability claims can be brought against manufacturers, distributors and others.

Our State Partners



Pacific Research Institute

[Point of Law, The Manhattan Institute](#)

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South Carolina



Successes

2008:

Gov. Mark Sanford issued executive orders reforming the Workers' Compensation Commission regarding objective standards, attorneys' fees, and the collection and release of awards data. These led to a restraining order against the governor's actions and litigation that is currently on hold.

Gov. Sanford won senate approval of two well-qualified balanced members to the Workers' Compensation Commission.

On May 13, 2009 13 SC Senators signed a letter requesting that the Legislative Audit Council audit the Workers' Compensation Commission over the issues of consistency of awards and the reasonableness of attorneys' fees.

Our State Partners



South Carolina
Civil Justice
Coalition

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Have Coat, Will Travel — Lose Suit, Will Sue

March 11, 2010

What do you do if you're a Texas personal injury lawyer who forgets his \$800 leather jacket at an airport when boarding a flight?

Well, since you're a personal injury lawyer and owned an \$800 coat, you could probably afford to buy a new one.

Or since you make your living bringing personal injury lawsuits you could...

1. Threaten to sue the city where the airport is located;
2. Threaten to sue the concession where you think you left your jacket;
3. And threaten to sue the airline!

That's what William Ogletree, a Houston trial lawyer chose. The Ogletree case is just one more example of lack of personal responsibility that runs rampant these days. For more of the gory details read this article from the [Southeast Texas Record](#).

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Posted by Dan Pero | Filed Under [Lawsuit Abuse](#), [Texas](#), [Trial Lawyers](#) | [Leave a Comment](#)

Your Cheerios Prescription Is Ready

March 10, 2010

Today's *Washington Times* has kindly published an op-ed I authored, "[Your Cheerios Prescription](#)." The FDA is cracking down on product label claims it considers misleading and has threatened to force some products to go through the agency's drug-approval process.

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Posted by Dan Pero | Filed Under [Tort Reform](#) | [Leave a Comment](#)

More on the “Perception” Problem

March 9, 2010

Yesterday I responded to an item by the folks over at JudgesOnMerit ("[Why Perception Matters](#)"). A closer reading turns up a number of other claims in the post that are false or misleading. Here's a quick debunking:

First, JudgesonMerit claims that under the plan the group supports, judges would be screened "by a non-partisan citizen panel representing the diverse spectrum of interests in the community." Actually, under the plan the group supports, at least half of the panel members must be lawyers. So much for representing "the diverse spectrum of interests."

Second, the group claims "the public ... will have the ultimate say in retention elections." Actually, retention elections do nothing to ensure public accountability, but only assure a lifetime appointment to the bench. Of the 6,309 judges who ran in retention elections between 1964 and 2006, more than 99% were re-elected. Since "merit" selection was adopted in Tennessee, only one judge has ever lost a retention election.

Third, JudgesonMerit attempts to invoke the Founders, as if they would support "merit" selection. Actually, in Federalist 39, James Madison wrote that it is "essential" that a democratic government "be derived from the great body of society, not from an inconsiderable proportion or favored class of it." It seems pretty obvious that "merit" selection – where judges are chosen not by the great body of society (the people) but by an inconsiderable proportion of it (a small panel dominated by lawyers accountable to no one) is exactly the type of system the Founders wanted to avoid.

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Another Admission: “Merit” Selection Campaign is About Perception, Not Reality

March 8, 2010

Last week I did a [little post](#) on the ABA's striking admission that the whole "merit" selection campaign is based purely on "perception" – not any real evidence that elected judges are "for sale" as most "merit" selection proponents claim. Well, it seems to have struck a nerve!

Our friends over at JudgesOnMerit – the group trying to end democratic judicial elections in Pennsylvania – were out this morning with an item entitled, “Why Perception Matters.” After admitting that elected judges are “certainly not” corrupt and are “by and large fully qualified to serve,” the blogger makes a run at defining the “perception” problem. There’s a lot of throat-clearing, but the main point seems to be this:

“The greatest problem, however, has to do not with the outcomes in specific cases, but with the effect judicial campaigning and fundraising have on the public’s perception of justice. We pay respect and honor to judges when we address them; we clothe them in grave black robes; and we have them sit elevated from the rest of us, looking down in judgment. A simple traffic court judge is addressed as ‘Your Honor,’ while even the office of the President of the United States commands no such title. All of this, so that decisions handed down by the courts are respected – and that respect is so critical because the judiciary as an institution has no means to enforce its edicts. Indeed, for a court to have any power at all, the public must believe that justice, and not some perversion of it, is being meted out in its marble hallways, and that judges are impartial arbiters of disputes and interpreters of law rather than mere political actors.”

The implication here is that the “perception” – which the blogger admits is false – justifies doing away with a right as fundamental as voting. But if “perception” alone disqualifies a judicial selection system, what about the “perception” associated with “merit” selection?

Under “merit” selection, judges are chosen not in open, transparent elections involving all the people, but by a tiny handful of elites (mostly lawyers) who deliberate behind closed doors. Isn’t there a “perception” that this turns the courts into closed, lawyers-only clubs?

And what about public accountability? In contested democratic elections, the people can decide if a judge is too beholden to this or that group and dismiss that judge from public service. Under the retention elections “merit” selection supporters promote, more than 99% of judges are re-elected. Doesn’t that create the “perception” that retention elections are just a fig leaf designed to insulate judges from the people they serve?

If all these groups – the ABA, JudgesOnMerit, Justice at Stake – believe the only problem with judicial elections is a false public perception, then why are they spending so much money to inflame this perception rather than debunking it?

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Soros Targeting the Euro?

March 8, 2010

As readers of AmericanCourthouse know, George Soros has helped to bankroll Justice at Stake, the group dedicated to replacing judicial elections with so-called “merit” selection. Well, you might think that attempting to eliminate the democratic election of hundreds of judges in dozens of states would be enough to keep bazillionaire Soros busy. Well, what ordinary humans might call a full plate, Mr. Soros apparently considers to be an appetizer. Not satisfied with destroying democratic judicial elections, Soros is reportedly attempting to destroy major world currencies.

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Rolling the “Merit” Selection Rock up the Hill in Maryland

March 5, 2010

Voters in Maryland have twice blocked attempts to disenfranchise themselves when it comes to selecting judges. They have twice voted down proposals to end democratic judicial elections and adopt a “merit” selection system. But the “merit” selection crowd is pushing the rock up the hill once again – this time with the help of Attorney General (and future, would-be governor) Doug Gansler and former U.S. Supreme Court Justice Sandra Day O’Connor. (*The Baltimore Sun* has an excellent write up [here](#) and you can also read an op-ed of mine the *Sun* was kind enough to print [here](#).)

“The independence of the judiciary is something we all ought to care about,” Justice O’Connor told a legislative panel in Annapolis, MD. It’s tempting to pass by this bromide with a thoughtful nod of the head, but there’s actually an interesting point here.

Everyone says they want judges to be “independent” – but independent from what? In my view, voters want judges who are independent from the influences of special interests – they want judges who will reach fair and impartial decisions. It’s up to voters in democratic elections to evaluate whether a judge has met this standard. “Merit” selection, however, delivers an entirely different kind of independence – namely judges who are “independent” from (and totally unaccountable to) the people they serve.

Baltimore attorney William H. “Billy” Murphy nailed this point, telling the Sun reporter that under “merit” selection voters...

“...have no idea what is going on behind closed doors. With the electoral system, you will know. If you don’t like it, and it stinks, you can do something.”

When America’s Founders wrote our Constitution, one of the primary goals was to protect the people from the government. “Merit” selection proponents want to turn that principle on its head by protecting the government (our public servants on the bench) from the people.

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Another AHA! Moment

March 4, 2010

Last week I posted an item on [Bill Moyers’ PBS rant](#) about *Citizens United*, calling out the lack of any proof behind his hysterical assertion that there’s now a “crooked sign hanging on every

courthouse in America reading ‘Justice for Sale.’” The Gavel Grabbers swooned, but also offered no proof to back up Moyers’ absurd assertion.

Well it seems I have an ally from an unlikely source: The American Bar Association.

In a letter posted on Gavel Grab yesterday, William Weisenberg, chairman of the ABA’s Standing Committee on Judicial Independence, writes that he “strongly disagree[s]” with Moyers’ statement and that he “view[s] this characterization of our Courts as impugning the integrity of our court system and the thousands of men and women who daily don their robes and administer justice in a fair and impartial manner.”

Picking apart Moyers was easy game for Weisenberg, but his next paragraph left me speechless:

“Our partners share the view, demonstrated in polling, that there is a serious ‘perception’ [his quotes] that financial support influences judicial decision-making. It is one thing to address the perception that you, JAS [Justice at Stake], our partners, and the ABA speak to often in our quest to drive money out of judicial selection. It is another thing to speak in terms of justice for sale as if it were a common thing.”

Now, you’re probably thinking … you lost your breath over THAT?

But what we have here is an admission from one of the High Priests of the movement that the whole gavel grabbing, multi-million dollar, “merit” selection campaign is based entirely on thin air – on a “perception” – not on any real, provable evidence that judges in mass numbers are selling their votes for cash. Justice in America is not “for sale” – it’s not even “at stake.”

Which raises two interesting questions:

1. Wouldn’t it be better for Justice at Stake to spend George Soros’ hedge fund millions to dispel the false “perception” that justice is for sale?
2. Will William Weisenberg write another letter to former U.S. Supreme Court Justice Sandra Day O’Connor rebutting her assertion that elected judges cannot “dispense law without prejudice?”

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Posted by Dan Pero | Filed Under [Citizens United](#), [Judicial Elections](#), [Justice at Stake](#) | [2 Comments](#)

Legal Reform Victory in SC

March 4, 2010

Carter Wood, once again, is on top of the latest legal reform news - this time with his ShopFloor hat on. Yesterday legislators in the South Carolina House overwhelmingly passed legal reform legislation in an effort to attract more business and capital investment to the state.

For more on the state of legal reform efforts in South Carolina, check out the South Carolina Civil Justice Coalition headed up by Cam Crawford. Cam and his team have been fighting the good fight in SC for some years now and aim to make the Palmetto State one of the nation’s top 25 states based on legal climate. Yesterday’s action by the state legislature is a step in that direction.

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AG Blumenthal: Lawsuits “Create Jobs”

March 4, 2010

Carter Wood over at [Point of Law](#) posted a little gem yesterday. Wood reports that Richard Blumenthal, Connecticut’s long-time attorney general and now a candidate for governor, recently made the extraordinary claim that all those lawsuits he’s filed over the years “actually create jobs.” Well, knock me over with a feather.

For those interested in something closer to the actual truth, I refer you to a [report](#) that Pacific Research Institute’s Lawrence McQuillan authored. McQuillan’s study catalogs the devastating impact of excessive litigation on our economy - including thousands of lost jobs.

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Ohio Judicial Elections: Common Sense From Ohio’s Bench

March 3, 2010

Ohio Chief Justice Thomas Moyer’s campaign to abolish democratic judicial elections has run into strong opposition from his colleagues on the state Supreme Court. In a [Columbus Dispatch](#) article, Justice Evelyn Lundberg Stratton said judicial elections are “open and transparent” and made the common sense observation that:

“... people are smart enough and there’s enough information out there for them to make those judgments about who should serve on the court.”

Justice Maureen O’Connor seconded the motion:

“No method for judicial selection is ideal and without problems. I believe that we should work with the elective system and concentrate on educating the public about the qualifications, records and philosophies of each candidate. The public can then decide who deserves their vote, trust and confidence.”

Justice Paul Pfeifer added that “merit” selection “is going nowhere” in Ohio.

In an era where judges routinely look down on the people they serve (see [my post](#) on Judge H. Lee Sarokin), it’s refreshing to hear from judges who understand that in a democracy the people are sovereign.

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Snakes Alive

September 8, 2009

“Danger! Tort reform legislation effective November 1. File your lawsuits now!”

So writes the Oklahoma City law firm of Merritt & Associates in a recent email to ... well, to whoever might want to file a frivolous case before tort reform legislation takes effect in Oklahoma. (hat tip to BixbyBulletin.com for uncovering the email)

I think I see a pit of sidewinders yonder out to make a killing. This isn’t about justice at all. It’s about lining their pockets with contingency fee dough. Maybe the Merritt laww firm should change it’s name to “No Merit and Associates.”

Oklahoma Representative Dan Sullivan [called](#) the email “an opportunistic attempt to get lawsuits on the books, regardless of their merit,” which is true of course. Rep. Sullivan, Senate leader Glenn Coffee and the State Chamber of Oklahoma were all recognized recently by the American Tort Reform Association for their roles in finally bringing tort reform across the goal line against the fierce defense of the state’s powerful trial bar. Which reminds me ... BYU quarterback Max Hall, who engineered a late touchdown drive to defeat the highly-ranked Oklahoma Sooners, might want to stay away from the state until after November.

And anybody with a cup of hot coffee, now is your time to just sue somebody...so the personal injury lawyers can sleep at night.

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Trial Bar Chases Jobs Out Of Oklahoma

April 16, 2009

In recent months, both Tyson Foods and Conoco Phillips have announced plans to shift a total of more than 1,300 jobs out of Oklahoma and relocate them to other states. More fall out from a bad economy? No, these job losses come courtesy of the state's powerful trial bar.

"It appears Oklahoma is firmly committed to the trial lawyer lobby instead of industry, jobs and prosperity," writes Steve Fair, in the OKGazette.com. Fair, who also blogs at stevefair.blogspot.com, blames the trial bar for blocking reform of Oklahoma's antiquated workman's compensation system. Oklahoma "still uses the court system to settle worker comp disputes, which creates high premiums for employers and reduced payments to injured workers."

Oklahoma's Republican controlled legislature is trying to pass legislation (again) that would reduce job-killing lawsuits by establishing reasonable limits on non-economic damages and curbing lottery-sized legal fees to greedy trial lawyers. But, as Fair notes, Democrat Governor Brad Henry vetoed a similar bill two years ago and shows little interest in letting this one become law, despite his campaign rhetoric supporting these common sense reforms.

You'd think in today's dire economy political leaders would unite and pull out all the stops to prevent jobs from fleeing their states. Many governors now recognize that a fair and predictable legal climate is just as critical as a favorable tax climate and an educated workforce when it comes to luring (or just keeping) jobs to their states. By blocking worker comp and legal reform, Oklahoma trial lawyers are sending the message to business and the country that they're more interested in preserving lawsuits than in preserving jobs.

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Taking A Stand Against Trial Lawyer Greed In Oklahoma

February 19, 2009

The Oklahoma House of Representatives [took the first step](#) toward reining in obscene trial lawyer fees by approving legislation to cap the trial bar's rake at 33.3% on the first \$1 million and 20% on the rest, a reduction from the current "limit" of 50%. That means a theoretical plaintiff winning a \$5 million judgment or settlement would be awarded at least \$3.8 – a wealth shift of about \$1.4 million from trial lawyers to plaintiffs. If the bill passes the Senate, it will go to the people of Oklahoma for a vote.

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Update in Oklahoma

June 19, 2008

Oklahoma's business magazine, *The Journal Record*, has an article outlining the debate over how the state should choose its judges.

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Oklahoma

June 13, 2008

The *Tulsa Beacon* has a strong editorial taking Oklahoma lawmakers to task for failing to enact legal reforms. Money quote:

Where is [Tulsa] Mayor Kathy Taylor's political courage? Where is her attempt to broaden the economic base by insisting that Oklahoma reform its legal and workers' compensation system? Are we just going to be bypassed again by others? The good question should be was Oklahoma even considered by Toyota for the auto plant [that went to Mississippi after tort reform]?

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Oklahoma At A Competitive Disadvantage

May 19, 2008

Fair and Biased, the blog run by Steve Fair, [reports](#) today on the trial bar's success at not only blocking tort reform in Oklahoma, but worker's comp reform, as well.

Two major issues that were not resolved this legislature session were tort reform and workers comp reform. Interrelated, they are two issues opposed by the powerful trial lawyer lobby....Once again Oklahoma is placed at a competitive disadvantage vs. surrounding states in recruiting business and industry and new jobs to the state because Democrats want to appease the powerful trial lawyer lobby.

But Fair also gives us a glimmer of hope:

With the distinct likelihood of Republicans taking over the State Senate in November, all I can say is- Wait till next year!

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Broken Promises Set Back Tort Reform in Oklahoma

May 19, 2008

Despite campaigning on promises to fix Oklahoma's tort system, Gov. Brad Henry has again broken his vow to curb frivolous lawsuits. Last week, the Oklahoma House voted 55-42 to override Henry's veto – but fell 13 votes short of the necessary 2/3rds.

William Pitts of the *Journal Record* reviews the history of Gov. Henry's broken tort reform promises.

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ABOUT MISSION SUCCESSES THE AJP DIFFERENCE LEADERSHIP CEO ALARM

CEO Alarm: The Real Cost Of State Liability

Excessive tort litigation costs are estimated at \$589 billion, but state-level liability lawsuits cost more than just indemnities, legal fees and G/A. There are substantial hidden costs.

Liability Crisis Hidden Costs

Damage to share value and reputation. Increasingly, the plaintiff's bar is mounting PR campaigns and analyst briefings designed to drive down share value to force companies to settle even when they've done nothing wrong:

- Merck lost \$40 billion in value after the filing of Vioxx lawsuits.
- The HMO industry lost \$12 billion in value in one day after a Dickie Scruggs press conference.
- Tort lawsuits reduce stockholder wealth by \$684 billion each year.

Higher litigation reserves, insurance costs and employee health care costs.

- \$124 billion of total health care costs is attributable to defensive medicine/litigation concerns. The lions share falls on employers that provide employee health insurance.

Stunted innovation/lost sales.

- Inhibited research and development results in a \$367 billion annual loss in sales of new products.

The Bottom Line

Liability Reform Objectives

- 1. Reduce the risk of "bet the company" lawsuits and lawsuits that threaten share value, company reputation or product image.
- 2. Slow the increase and eventually reduce unwarranted litigation costs.

Liability Reform Strategies

- 1. Selection of "rule of law" state court judges, governors, legislators and attorneys general.
- 2. Legislation and court rules that end perverse incentives for meritless lawsuits and restore fairness and predictability.
- 3. Engage the public so they understand how a broken legal system hurts them every day.

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Absurdity In Motion

Can you believe how many ridiculous lawsuits get a day in court and the extreme lengths business owners are forced to go to protect themselves from greedy lawyers? Should we laugh at the absurdity - or shed a tear at the cost? Check out the links below and decide for yourself.

Laughter Is The Best Medicine

Sometimes after hearing about so many scam lawsuits you need some comic relief. Here are a few of our favorites.

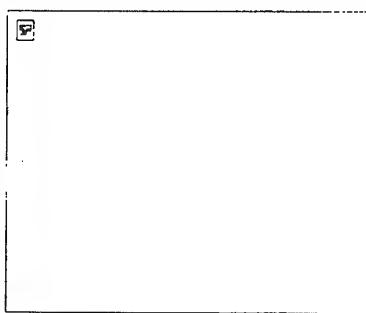


Weird Al Yankovic - I'll Sue Ya

Weird Al Yankovic pulls no punches as he takes aim at frivolous lawsuits.

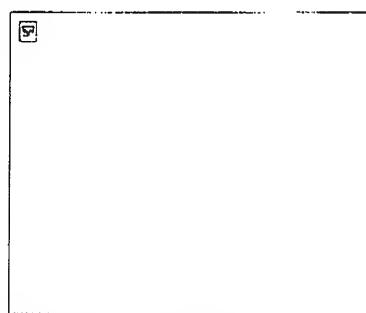
Sad But True

While we joke about absurd lawsuits, unfortunately the reality is no laughing matter. If we don't take action, greedy trial lawyers will destroy America's hardworking small business owners like those in these video clips. These clips were produced by [Sickoflawsuits.org](#) please visit their website to join their grassroots army in fighting lawsuit abuse.



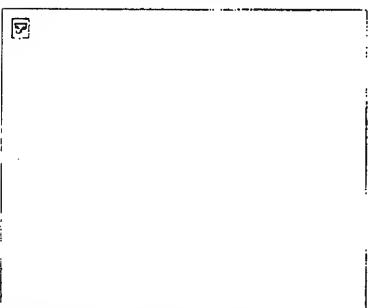
Craig Ferguson

The broken legal system leaves The Late Late Show host Craig Ferguson fed-up and funny.



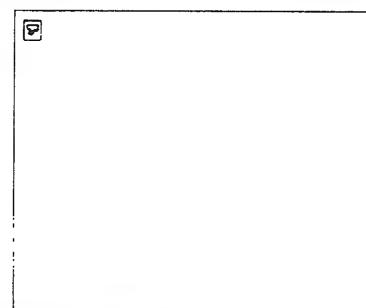
Damage Control Comedy Crew

The Crew takes aim at our lawsuit happy culture with the "Sue Somebody Home Kit."



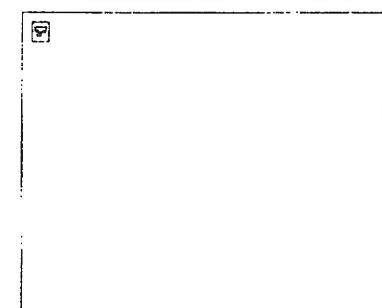
Joe Olear

Insurance to protect his bowling alley against frivolous lawsuits costs a fortune.



Patrick Rosacker

A 50-year-old business suffers from allocating resources to fight greedy trial lawyers.



Michael Palmer

An impractical paper towel dispenser lawsuit threatens this man's auto repair shop.